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LEGISLATIVE HISTORY

Public law 20--80th Congress

Chapter 20--1st Session

H. R. 1968

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INDEX AND SUMMARY OF HISTORY ON H. R. 1968

January 20, 1947	Documents: The estimates upon which the bill is based are contained in House Documents Nos. 55, 61, 63, and 76. Prints of the documents.
February 3, ¹⁰ 1947	Hearings: House, H. R. 1968.
February 17, 1947	H. R. 1968 was reported from the House Committee on Appropriations. House Report 36. Committee prints of the bill and report. Print of the bill as reported.
February 18, 1947	H. R. 1968 debated in the House and passed without amendment.
February 19, 1947	H. R. 1968 was referred to the Senate Committee on Appropriations. Print of the bill as referred.
February 25, 1947	Hearings: Senate, H. R. 1968.
February 28, 1947	Senate Committee on Appropriations reported H. R. 1968 with amendments. Senate Report 43. Print of the bill as reported.
March 5, 1947	Debated in the Senate and passed as reported. Senate Conferees appointed.
March 6, 1947	House Conferees appointed. Print of the bill with the amendments of the Senate numbered.
March 10, 1947	House received the Conference Report. House Report 104.
March 11, 1947	House agreed to the Conference Report.
March 12, 1947	Senate agreed to the Conference Report.
March 22, 1947	Approved. Public Law 20.

PROPOSED RESCISSIONS AND PROVISIONS RELATING TO
APPROPRIATIONS

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

PROPOSED RESCISSIONS AND PROVISIONS RELATING TO APPROPRIATIONS AS SET FORTH IN THE LETTER OF THE DIRECTOR OF THE BUREAU OF THE BUDGET

JANUARY 20, 1947.—Referred to the Committee on Appropriations and ordered to be printed

THE WHITE HOUSE,
Washington, January 15, 1947.

The SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of Congress proposed rescissions and provisions relating to appropriations as set forth in the letter of the Director of the Bureau of the Budget, in whose comments and observations thereon I concur.

These recommendations apply particularly to appropriation accounts of temporary agencies and to those accounts of other agencies which remain available for obligation beyond the end of this fiscal year.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., January 15, 1947.

The PRESIDENT,
The White House.

SIR: I have the honor to submit for your consideration proposed rescissions in the amount of \$563,888,579.48, together with a reduction of \$132,000,000 in contract authorization. This excludes estimates

of unexpended balances which are reflected in the attached tabulation. The details of these proposals are as follows:

REDUCTIONS IN APPROPRIATION AND AUTHORIZATION

Amounts available to the departments and agencies from appropriations and other funds are hereby reduced in the sums hereinafter set forth, such sums to be carried to the surplus fund and covered into the Treasury immediately upon the approval of this act:

EXECUTIVE OFFICE OF THE PRESIDENT

Office for Emergency Management:

Office of Scientific Research and Development:

Working fund, Executive, Emergency Management (Office of Scientific Research and Development), 1942-46.....	\$2, 044, 477. 00
Working fund, Executive, Emergency Management (Office of Scientific Research and Development), 1940-46.....	160, 744. 00
Working fund, Executive, Emergency Management (Office of Scientific Research and Development), 1945.....	6, 688, 979. 00
Office of Temporary Controls: Salaries and expenses, Civilian Production Administration functions, Office of Temporary Controls, 1947.....	1, 200, 000. 00

FUNDS APPROPRIATED TO THE PRESIDENT

Emergency fund for the President, national defense, 1942-47.....	2, 500, 000. 00
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INDEPENDENT OFFICES

Atomic Energy Commission: Atomic energy, Executive (allotment to Atomic Energy Commission), 1942-47.....	40, 000, 000. 00
Price Decontrol Board: Salaries and expenses, Price Decontrol Board, 1947.....	195, 212. 00
U. S. Maritime Commission:	
Construction fund, U. S. Maritime Commission, act June 29, 1936, revolving fund.....	265,000,000. 00
and the contract authorization under this head is hereby reduced in the sum of \$132,000,000.	
Emergency ship construction fund, U. S. Maritime Commission.....	1, 251, 691. 00
together with the unexpended balance: <i>Provided</i> , That hereafter the U. S. Maritime Commission construction fund shall be available for the payment of obligations previously incurred against the emergency ship construction fund.	
Working fund, Maritime Commission (Navy Department)....	60, 265, 686. 00
Working fund, Maritime Commission (War Department), 1942-45; working fund, Maritime Commission (War Department), 1945; working fund, Maritime Commission (War Department), 1942-46.....	834, 845. 00
Working fund, U. S. Maritime Commission, War Shipping Administration functions, Dec. 31, 1946.....	358, 679. 00
Working fund, U. S. Maritime Commission, War Shipping Administration functions, 1945.....	270, 006. 00
Veterans' Administration:	
Adjusted service and dependent pay, Veterans' Administration.....	71, 631. 00
Military and naval compensation, Veterans' Administration.....	16, 693. 29
Military and naval family allowance, Veterans' Administration.....	11, 155. 97
Hospital facilities and services, Veterans' Administration.....	8, 469. 39
Vocational rehabilitation, Veterans' Administration.....	6, 441. 71

FEDERAL SECURITY AGENCY

Office of Education:

Working fund, Federal Security Agency, Office of Education, 1946-----	\$2,600. 00
Working fund, Federal Security Agency, Office of Education (advance from Veterans' Administration), 1947-----	41,800. 00
Public Health Service: Working fund, U. S. Public Health Service, 1946-----	12,664. 00
Office of the Administrator:	
Civilian war benefits, Federal Security Agency, 1947-----	18,000. 00
Civilian war assistance, Federal Security Agency, 1947-----	1,000,000. 00

FEDERAL WORKS AGENCY

Public Buildings Administration:

Social Security Board and Railroad Retirement Board buildings, Washington, D. C., Public Buildings Administration-----	46,914. 00
War Department buildings, Washington, D. C., Public Buildings Administration-----	150,000. 00
Great plaza development, triangle, Washington, D. C., Public Buildings Administration-----	7,250. 00
Emergency construction of public buildings, Public Buildings Administration, act of June 19, 1934, together with the unobligated balance as of June 30, 1947-----	5,955. 00
Emergency construction of public buildings, Public Buildings Administration, act of August 12, 1935, together with the unobligated balance as of June 30, 1947-----	5,755. 00
Emergency construction of public buildings, Public Buildings Administration, act of June 22, 1936, together with the unobligated balance as of June 30, 1947-----	11,661. 00
Federal office buildings numbered 2 and 3, in or near the District of Columbia, Public Buildings Administration. ¹	
Emergency safeguarding of public buildings and property Public Buildings Administration, together with the unobligated balance as of June 30, 1947-----	10,000. 00
Working capital fund, Public Buildings Administration-----	2,500. 00
Veterans' decentralization allowances, Public Buildings Administration, 1947-48-----	40,000. 00
Materials testing laboratory and equipment, National Bureau of Standards (transfer to Federal Works Agency, Public Buildings Administration)-----	7,797. 00
Working fund, Federal Works Agency, Public Buildings Administration-----	126,445. 00
Working fund, Federal Works Agency, Public Buildings Administration, 1946-----	51,453. 00

Public Roads Administration:

Access roads, Public Roads Administration (national defense)-----	1,897,030. 00
Strategic highway network, Public Roads Administration (national defense)-----	278,158. 00
Flood relief, Missouri, Mississippi, Louisiana, and Arkansas, for restoration of roads and bridges, Public Roads Administration. ¹	

NATIONAL HOUSING AGENCY

Federal Public Housing Authority:

National defense housing, temporary shelter, Office of Administrator, National Housing Agency (transfer to Federal Public Housing Authority)-----	142,098. 00
War housing in and near the District of Columbia, Federal Public Housing Authority-----	85,469. 00
Construction fund, U. S. Maritime Commission, act June 29, 1936 (transfer to National Housing Agency, Federal Public Housing Authority)-----	574,096. 00

¹ Unobligated balance, June 30, 1947.

DEPARTMENT OF AGRICULTURE

Office of the Secretary:

Working fund, Agriculture, general.....	\$23, 666. 77
Working fund, Agriculture, general, 1942-46.....	78, 669. 52

Bureau of Agricultural Economics: Working fund, Agriculture,
Bureau of Agricultural Economics.....

16. 25

Extension Service:

Working fund, Agriculture, Extension Service, 1941-46.....	3, 655. 00
Working fund, Agriculture, Extension Service (special fund).....	475. 76

Agricultural Research Administration:

Office of the Administrator:

Removal and reestablishment of Arlington Farm, Virginia (transfer to Agriculture).....	162, 400. 18
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Working fund, Agriculture, Agricultural Research Administration, 1942-46.....	34, 813. 89
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Working fund, Agriculture, Agricultural Research Administration, 1946.....	48, 000. 00
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Bureau of Plant Industry, Soils, and Agricultural Engi- neering: Rubber investigations, Bureau of Plant Industry, Soils, and Agricultural Engineering.....	105. 70
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Forest Service:

Working fund, Agriculture, Forest Service, 1942-46.....	51, 465. 66
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Working fund, Agriculture, Forest Service, 1946.....	82, 823. 93
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Acquisition of lands.....	36. 56
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Soil Conservation Service:

Working fund, Agriculture, Soil Conservation Service, 1941-46.....	128. 00
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Working fund, Agriculture, Soil Conservation Service, 1942-46.....	26, 069. 00
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Production and Marketing Administration:

Conservation and use of agricultural land resources, Depart- ment of Agriculture, 1946-47.....	8, 945, 000. 00
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Administration of Price Adjustment Act of 1938, Depart- ment of Agriculture.....	85, 638. 00
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Exportation and domestic consumption of agricultural com- modities, Department of Agriculture (cotton price adjustment).....	139, 068. 00
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Payments for agricultural adjustment, Department of Agriculture.....	4, 505. 00
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Community facilities, defense public works, Office of Admin- istrator, Federal Works Agency (transfer to Agriculture).....	11, 895. 00
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DEPARTMENT OF COMMERCE

Bureau of the Census:

Working fund, Commerce, Bureau of the Census, 1947.....	21, 500. 00
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Working fund, Commerce, Bureau of the Census, 1946.....	11, 385. 00
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Coast and Geodetic Survey:

Working fund, Commerce, Coast and Geodetic Survey.....	4, 816. 65
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Working fund, Commerce, Coast and Geodetic Survey, 1942-46.....	8. 11
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National Bureau of Standards:

Working fund, Commerce, Standards, 1942-46.....	12, 335. 69
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Working fund, Commerce, Standards, 1946.....	84, 345. 00
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Working fund, Commerce, Standards.....	365. 22
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Station for broadcasting standard frequencies, National Bureau of Standards.....	1, 000. 00
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DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs:

Purchase of land for Navajo Indians, Arizona (reimbursable).....	308. 02
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Construction, irrigation systems, Indian Service (reim- bursable).....	9, 865. 90
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Construction, buildings, and utilities, Indian Service.....	131, 407. 71
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Support of Wisconsin Band of Potawatomie, Wisconsin and Michigan (reimbursable).....	500. 21
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Working fund, Interior, Indians.....	25, 538. 66
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Working fund, Department of the Interior, subsistence, homestead project.....	2, 092. 97
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DEPARTMENT OF THE INTERIOR--continued

Bureau of Mines:

Reduction of zinc concentrates with methane gas, Bureau of Mines (national defense)-----	\$4, 133. 00
Drainage tunnel, Leadville, Colo-----	29, 081. 00
Working fund, Interior, Mines (Office of Scientific Research and Development), 1946-----	130, 000. 00
Working fund, Interior, Mines, Army, Engineer Service, 1942-46-----	43, 905. 00

National Park Service:

Roads and trails, national parks, emergency construction, act of June 19, 1934-----	22. 00
Working fund, Interior, National Park Service (advance from War Department)-----	14, 000. 00

Government in the Territories: Emergency fund, Territories and island possessions (national defense)-----	121, 000. 00
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DEPARTMENT OF JUSTICE

Federal Prison System:

Buildings and equipment, penal institutions-----	865, 000. 00
United States Industrial Reformatory, Chillicothe, Ohio, construction-----	89. 71
United States Northeastern Penitentiary, Lewisburg, Pa., construction-----	1, 636. 78
Public Works Administration, act of 1938 (allotment to Justice, prisons)-----	1, 702. 52
Federal jails, buildings, and equipment (Sandstone)-----	370. 35
Working fund, Justice, prisons-----	149, 729. 70

DEPARTMENT OF LABOR

Office of the Secretary:

Veterans' housing, Office of Administrator, National Housing Agency (transfer to Labor)-----	3, 368. 00
Migration of workers, War Manpower functions, Department of Labor, 1944-----	652, 376. 00
Migration of workers, War Manpower functions, Department of Labor, 1945-----	4, 884. 00

Bureau of Labor Statistics:

Working fund, Labor, Labor Statistics (advance from National Housing Agency)-----	237. 68
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National Wage Stabilization Board: Salaries and expenses, National Wage Stabilization Board, Department of Labor, 1947--	1, 191, 900. 00
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NAVY DEPARTMENT

Bureau of Supplies and Accounts:

Naval working fund-----	50, 000, 000. 00
Naval procurement fund-----	50, 000, 000. 00
Strategic and critical materials, Navy-----	94. 00
Reserve material, Navy-----	62, 800. 00

Bureau of Yards and Docks:

Public works, Bureau of Yards and Docks, 1947-----	15, 108, 514. 00
Provided, That hereafter no obligations shall be incurred against the contract authorization provided under this head prior to July 1, 1946.	

Increase and replacement of naval vessels:

Repair facilities, Navy-----	4, 000, 000. 00
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TREASURY DEPARTMENT

Bureau of Accounts: Emergency relief, liquidation fund-----	1, 000, 000. 00
Bureau of Federal Supply: Working capital fund, duplicating services, Procurement Division-----	1, 483, 480. 02

TREASURY DEPARTMENT—continued

Coast Guard:

Acquisition of vessels and shore facilities, Coast Guard-----	\$9, 624, 066. 00
Emergency construction, vessels and shore facilities, Coast Guard-----	184, 225. 00
Establishing and improving aids to navigation, Coast Guard--	59, 279. 00
Special projects, aids to navigation, Coast Guard-----	36, 106. 00
Special projects, vessels, Coast Guard-----	37, 470. 00
Special projects, aids to navigation, Lighthouse Service, Coast Guard-----	3, 937. 00

WAR DEPARTMENT

Military activities:

Expenses and losses financing war contracts-----	15, 000, 000. 00
Acquisition of land, West Point. ²	
Acquisition of land, San Bernardino, Kern, and Los Angeles Counties, Calif. ²	
Acquisition of land, Panama, Army. ²	
Acquisition of land, Buchanan, P. R. ²	
Acquisition of land, act of June 20, 1940. ²	
Sites for military purposes. ²	
Construction of buildings, utilities, and appurtenances, military posts-----	17, 567, 069. 00
Buildings for United States representatives, Philippine Islands. ²	
Emergency fund for the President, national defense Housing (allotment to War). ²	
Community facilities, defense public works, Office of Administrator, Federal Works Agency (transfer to War)----	221, 855. 00
National defense housing, War, maintenance, etc. ²	
Emergency fund for the President, defense housing, temporary shelter, War, Federal Public Housing Authority, maintenance. ²	
National defense housing, War, Office of Administrator, Federal Works Agency, maintenance, etc. ²	
Repair of arsenals, emergency construction. ²	
Seacoast defenses, general-----	130, 619. 00
Seacoast defenses-----	106, 468. 00
Seacoast defenses, Panama Canal-----	642, 905. 00

² Unexpended balance.

These proposed rescissions are the result of a comprehensive review of funds available to agencies which are temporary or which have no direct statutory status, and of those accounts of other agencies which are legally available for obligation beyond the end of this fiscal year. The rescissions recommended were taken into consideration in estimating expenditures in the 1948 Budget. While some of the amounts recommended for rescission are extremely small, they are included in order to provide a more complete report on the possible cancellation of obligational availability not needed after the current fiscal year.

In addition to the proposed rescissions listed above, the following actions are being taken:

(1) Unneeded lend-lease funds, not available for obligation after June 30, 1946, are being carried to the Treasury by administrative action. Approximately \$805,000,000 of the unexpended balance of lend-lease appropriations is being withdrawn from the various agencies and carried to the surplus fund of the Treasury immediately. Additional recoveries will be made as the liquidation of lend-lease accounts goes forward. Further, there is currently being deposited in the Treasury as miscellaneous receipts approximately \$114,000,000

of funds received from foreign governments pursuant to section 6 (b) of the Lend-Lease Act.

(2) The Department of the Interior, Bureau of Reclamation, will review the financial status of projects financed from the reclamation fund, special fund, in an effort to recover surpluses. Amounts no longer required, presently estimated at \$1,522,659, will be withdrawn by administrative action and returned to the reclamation fund where they will be available for appropriation by the Congress.

(3) Amounts in excess of current requirements, totaling \$213,741,215 now available in special accounts for replacing military equipment and supplies heretofore sold by the War Department, will be carried to the surplus fund and covered into the Treasury immediately. These funds would lapse for obligation purposes on June 30, 1947.

Respectfully yours,

JAMES E. WEBB,
Director of the Bureau of the Budget.

Forecast of balances in certain appropriation accounts, fiscal year 1947

Title of account (including years of availability)	Amount available for obligation, fiscal year 1947	Estimated obligations, fiscal year 1947				Balances not required for fiscal year 1947		
		Obligations as of Nov. 30, 1946	Commitments in process Nov. 30, 1946	Additional obligations required	Total obligations (column 3+4+5)	Total balances (column 2 less 6)	Required in subsequent fiscal years	Available for rescission
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
LEGISLATIVE BRANCH								
Library of Congress:								
Increase of Library of Congress, general, 1947 and 1948	\$468,708	\$145,897	0	\$322,811	\$468,708	0	0	0
Increase of Library of Congress, law library, 1947 and 1948	164,197	57,555	0	106,642	164,197	0	0	0
Working fund, Library of Congress, 1946 and 1948	102,210	63,406	0	33,804	97,210	\$5,000	\$5,000	0
Total, legislative branch	735,115	266,858	0	463,257	730,115	5,000	5,000	0
EXECUTIVE OFFICE OF THE PRESIDENT								
Executive Mansion and grounds:								
Addition to Executive Mansion, and improvements of Executive Mansion and grounds (no year)	613,823	20,306	\$7,000	586,517	613,823	0	0	0
Office for Emergency Management:								
Office of Defense Transportation:								
Salaries and expenses, Office of Defense Transportation, 1947	525,000	413,924	2,979	170,502	587,405	-62,405	0	0
Office of Scientific Research and Development:								
Salaries and expenses, Office of Scientific Research and Development, 1947	575,000	341,106	20,000	262,694	623,800	-48,800	0	0
Working fund, Executive, Office of Scientific Research and Development, 1947	7,500	7,500	0	0	7,500	0	0	0
Working fund, Executive, Office of Scientific Research and Development, 1942-46	601,813	-1,467,664	0	25,000	-1,442,664	2,044,477	0	\$2,044,477
Working fund, Executive, Office of Scientific Research and Development, 1940-46	12,000	-148,744	0	0	-148,744	160,744	0	160,744
Working fund, Executive, Office of Scientific Research and Development, 1945	443,973	-6,245,006	0	0	-6,245,006	6,688,979	0	6,688,979
Working fund, Executive, Office of Scientific Research and Development (no year)	57,581	57,581	0	0	57,581	0	0	0
Office of Temporary Controls:								
Salaries and expenses, Civilian Production Administration functions, Office of Temporary Controls, 1947	18,000,000	7,509,911	0	9,290,089	16,800,000	1,200,000	0	1,200,000
Salaries and expenses, Office of Price Administration functions, Office of Temporary Controls, 1947	101,000,000	56,971,636	0	50,528,364	107,500,000	-6,500,000	0	0
Salaries and expenses, Office of War Mobilization functions, Office of Temporary Controls, 1947	675,863	386,589	0	289,274	675,863	0	0	0

Salaries and expenses, Economic Stabilization, Office of War Mobilization and Reconversion functions, Office of Temporary Controls, 1947-----	180,418	75,176	0	105,242	180,418	0	0	0
Salaries and expenses, guaranteed annual wage plans, Office of War Mobilization and Reconversion functions, Office of Temporary Controls, 1946-47-----	136,059	56,485	0	79,574	136,059	0	0	0
War Assets Administration: Salaries and expenses, War Assets Administration, special fund-----	435,000,000	203,090,813	8,130,779	308,778,408	580,000,000	-145,000,000	0	0
Total, Executive Office of the President-----	557,829,030	261,069,613	8,160,758	430,118,664	699,346,035	-141,517,005	0	10,094,200
FUNDS APPROPRIATED TO THE PRESIDENT								
Payments, Armed Forces Leave Act of 1946 (no year)-----	2,431,708,000	933,985,760	2,959,355	1,208,854,885	2,145,800,000	285,908,000	285,908,000	0
Overtime, leave, and holiday compensation (no year)-----	20,000,000	187,289	0	11,997,711	12,185,000	7,815,000	7,815,000	0
Emergency fund for the President, national defense, 1942-47-----	5,000,000	1,156,500	0	1,343,500	2,500,000	2,500,000	2,500,000	0
Total, funds appropriated to the President-----	2,456,708,000	935,329,549	2,959,355	1,222,196,096	2,160,485,000	296,223,000	293,723,000	2,500,000
INDEPENDENT OFFICES								
Atomic Energy Commission: Atomic energy, Executive (allotment to Atomic Energy Commission), 1942-47-----	182,000,000	0	0	142,000,000	142,000,000	40,000,000	0	40,000,000
Atomic energy, Executive (allotment to Atomic Energy Commission), 1947-48-----	375,000,000	174,120,505	22,775,000	178,104,495	1,375,000,000	0	0	0
National Capital Housing Authority: Emergency fund for the President, defense housing, temporary shelter (allotment to National Capital Housing Authority, maintenance, etc.) (no year)-----	1,706,000	647,091	0	1,058,909	1,706,000	0	0	0
Operation, maintenance, etc., national defense housing, National Capital Housing Authority (no year)-----	475,000	191,854	0	283,146	475,000	0	0	0
Community facilities, defense public works, Office of Administrator, Federal Works Agency (transfer to National Capital Housing Authority, maintenance, etc.) (no year)-----	300	19	0	281	300	0	0	0
National Capital Park and Planning Commission (no year)-----	1,324,584	20,199	300,000	904,385	1,224,584	100,000	100,000	0
Price Decontrol Board: Salaries and expenses, Price Decontrol Board, 1947-----	250,000	31,370	2,170	21,248	54,788	195,212	0	195,212
Smithsonian Institution: Working fund, Smithsonian Institution, 1946 (advance from Navy Department)-----	12,920	3,945	0	4,255	8,200	4,720	4,720	0
Working fund, Smithsonian Institution (no year) (advance from Bureau of Reclamation, Department of the Interior) (advance from Corps of Engineers, War Department)-----	87,000	20,868	182	65,950	87,000	0	0	0
Thomas Jefferson Memorial Commission (no year)-----	93	0	0	93	93	0	0	0
U. S. Maritime Commission: Construction fund, U. S. Maritime Commission, Act of June 29, 1936, revolving fund (no year)-----	521,124,841	91,025,240	0	138,096,460	229,121,700	292,003,141	27,003,141	2265,000,000

¹ Includes obligations incurred by the War Department.

² Plus \$132,000,000 of contract authorization.

Forecast of balances in certain appropriation accounts, fiscal year 1947—Continued

Title of account (including years of availability)	Estimated obligations, fiscal year 1947					Balances not required for fiscal year 1947		
	Amount available for obligation, fiscal year 1947	Obligations as of Nov. 30, 1946	Commitments in process Nov. 30, 1946	Additional obligations required	Total obligations (column 3+4+5)	Total balances (column 2 less 6)	Required in subsequent fiscal years	Available for rescission
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
INDEPENDENT OFFICES—continued								
U. S. Maritime Commission—Continued								
Emergency ship construction fund, U. S. Maritime Commission (no year)	\$1,336,023	\$84,332	0	0	\$84,332	\$1,251,691	0	\$1,251,691
Federal ship mortgage insurance fund (no year)	586,548	0	0	0	0	586,548	\$586,548	0
Working fund, U. S. Maritime Commission (Navy Department) (no year)	67,162,937	1,801,821	0	\$5,065,430	6,897,251	60,265,686	0	60,265,686
Working fund, U. S. Maritime Commission (War Department) 1942-45; working fund, U. S. Maritime Commission (War Department) 1946; working fund, U. S. Maritime Commission (War Department) 1942-46	842,141	0	0	7,296	7,296	834,845	0	834,845
War Shipping Administration revolving and War Shipping Administration functions, revolving fund, U. S. Maritime Commission, Dec. 31, 1946	359,739,681	292,908,951	0	66,830,730	359,739,681	0	0	0
Working fund, U. S. Maritime Commission, War Shipping Administration functions, Dec. 31, 1946	358,679	0	0	0	0	358,679	0	358,679
Working fund, U. S. Maritime Commission, War Shipping Administration functions, 1945	270,018	12	0	0	12	270,006	0	270,006
Veterans' Administration:								
Army and Navy pensions (no year)	1,732,914,029	728,378,487	0	1,436,942,542	2,165,321,029	-432,407,000	0	0
Military and naval insurance, Veterans' Administration (no year)	8,585,232	5,309,509	0	7,949,623	13,259,132	-4,673,900	0	0
Adjusted service and dependent pay, Veterans' Administration (no year)	83,521	4,133	0	2,241	6,374	77,147	5,516	71,631
Hospital and domiciliary facilities, Veterans' Administration (no year)	257,475,392	4,926,292	0	32,415,112	37,341,404	220,133,988	220,133,988	0
Military and naval compensation, Veterans' Administration (no year)	16,693	0	0	0	0	16,693	0	16,693
Military and naval family allowance, Veterans' Administration (no year)	11,156	0	0	0	0	11,156	0	11,156
Hospital facilities and services, Veterans' Administration (no year)	8,469	0	0	0	0	8,469	0	8,469
Vocational rehabilitation, Veterans' Administration revolving fund (no year)	2,406,883	444,710	0	1,185,290	1,630,000	776,883	776,883	0
Vocational rehabilitation, Veterans' Administration (no year)	6,442	0	0	0	0	6,442	0	6,442

National service life insurance appropriated fund, Veterans' Administration (no year)	381,563,267	301,320,335	0	672,242,932	973,563,267	-592,000,000	0	0
Soldiers and sailors civil relief, Veterans' Administration (no year)	770,490	95,712	0	135,259	230,971	539,519	0	0
Readjustment benefits, Veterans' Administration (no year)	2,862,720,941	1,579,411,744	0	2,030,884,197	3,630,295,941	-767,575,000	0	0
Operation of canteens, appropriated fund, Veterans' Administration (no year)	4,000,000	4,000,000	0	0	4,000,000	0	0	0
Total, independent offices	6,762,839,280	3,184,747,129	23,077,352	4,734,229,874	7,942,054,355	-1,179,215,075	249,150,315	368,290,510
FEDERAL SECURITY AGENCY								
Bureau of Employees Compensation:								
Wage accruals, U. S. Employees' Compensation functions (no year)	474,069	212,929	261,140	2,600,000	3,074,069	-2,600,000	0	0
Food and Drug Administration:								
Working fund, Federal Security Agency, Food and Drug Administration (Medical and Hospital Department, Army, 1942-46)	4,178	4,178	0	0	4,178	0	0	0
Working fund, Federal Security Agency, Food and Drug Administration (Medical and Hospital Department, Army, 1947)	30,000	9,351	0	20,649	30,000	0	0	0
Howard University:								
Plans and specifications, Howard University, Federal Security Agency (no year)	178,575	116,579	0	61,996	178,575	0	0	0
Construction of buildings, Howard University, Federal Security Agency (no year)	1,377,920	0	0	1,377,920	1,377,920	0	0	0
Office of Education:								
Working fund, Federal Security Agency, Office of Education, 1946	13,500	10,859	0	41	10,900	2,600	0	2,600
Working fund, Federal Security Agency, Office of Education (advance from Veterans' Administration), 1947	54,000	12,163	0	37	12,200	41,800	0	41,800
Working fund, Federal Security Agency, Office of Education (advance from Bureau of Community Facilities, Federal Works Agency), 1947	230,497	46,139	0	184,358	230,497	0	0	0
Public Health Service:								
Service and supply fund, Public Health Service (no year)	1,449,640	381,123	87,212	731,305	1,199,640	250,000	250,000	0
Working capital fund, narcotic hospitals, Public Health Service (no year)	(454,217)	(119,253)	(20,000)	(1,172,083)	(311,336)	(142,881)	(100,000)	4 (42,881)
Operation of commissaries, Division of Mental Hygiene, Public Health Service (no year)	71,120	29,236	2,000	25,856	57,092	14,028	14,028	0
Hospital and construction activities, Public Health Service, 1947	2,340,900	109,496	58,504	2,172,900	2,340,900	0	0	0
Working fund, Federal Security Agency, Public Health Service (special fund) (no year)	90,040	41,295	48,745	0	90,040	0	0	0
Working fund, Federal Security Agency, Public Health Service, 1947	66,539	14,621	51,918	0	66,539	0	0	0
Working fund, Federal Security Agency, Public Health Service, 1946	12,664	0	0	0	0	12,664	0	12,664

³ Together with the unexpended balance.

⁴ Will revert to Treasury in accordance with a proposal included under the head "Mental health activities" in the 1948 Budget.

Forecast of balances in certain appropriation accounts, fiscal year 1947—Continued

Title of account (including years of availability)	Amount available for obligation, fiscal year 1947	Estimated obligations, fiscal year 1947				Balances not required for fiscal year 1947		
		Obligations as of Nov. 30, 1946	Commitments in process Nov. 30, 1946	Additional obligations required	Total obligations (column 3+4+5)	Total balances (column 2 less 6)	Required in subsequent fiscal years	Available for rescission
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
FEDERAL SECURITY AGENCY—continued								
St. Elizabeths Hospital:								
Continuous treatment buildings, St. Elizabeths' Hospital, Federal Security Agency (no year)	\$7,699	\$282	0	\$7,417	\$7,699	0	0	0
Building for storeroom, etc., St. Elizabeths Hospital, Federal Security Agency (no year)	190,004	0	0	190,004	190,004	0	0	0
Social Security Administration:								
Grants to States for emergency maternity and infant care, Children's Bureau (national defense), 1947	16,664,000	7,016,982	0	9,647,018	16,664,000	0	0	0
Office of Administrator:								
Civilian war benefits, Federal Security Agency, 1947	158,000	38,142	\$9,216	92,642	140,000	\$18,000	0	\$18,000
Civilian war assistance, Federal Security Agency, 1947	4,750,000	635,339	360,004	2,754,657	3,750,000	1,000,000	0	1,000,000
Working fund (advance from vocational rehabilitation) (1947)	10,000	2,751	0	7,249	10,000	0	0	0
Total, Federal Security Agency	28,173,345	8,681,465	878,739	19,874,049	29,434,253	-1,260,908	\$264,028	1,075,064
FEDERAL WORKS AGENCY								
Public Buildings Administration:								
Construction of public buildings, Public Buildings Administration, Act Aug. 25, 1937 (no year)	498,691	35,427	0	379,573	415,000	83,691	83,691	0
Social Security Board and Railroad Retirement Board Buildings, Washington, D. C., Public Buildings Administration (no year)	46,914	0	0	0	0	46,914	0	46,914
War Department Buildings, Washington, D. C., Public Buildings Administration (no year)	509,692	9,080	0	240,920	250,000	259,692	109,692	150,000
Great plaza development, triangle, Washington, D. C., Public Buildings Administration (no year)	7,250	0	0	0	0	7,250	0	7,250
Outside professional services, Public Buildings Administration (no year)	13,276	1,495	0	1,005	2,500	10,776	10,776	0
Emergency construction of public buildings, Public Buildings Administration, Act of June 19, 1934 (no year)	7,955	211	0	1,789	2,000	5,955	0	\$ 5,955
Emergency construction of public buildings, Public Buildings Administration, Act of Aug. 12, 1935 (no year)	7,755	117	0	1,883	2,000	5,755	0	\$ 5,755
Emergency construction of public buildings, Public Buildings Administration, Act of June 22, 1936 (no year)	13,661	508	0	1,492	2,000	11,661	0	\$ 11,661

Federal office buildings numbered 2 and 3, in or near the District of Columbia, Public Buildings Administration (no year)									
West central heating plant, Washington, D. C., Public Buildings Administration (no year)	76,876	8,443	16,740	17,693	42,876	34,000	0	(9)	0
General Accounting Office Bldg., Washington, D. C., Public Buildings Administration (no year)	119,505	62,298	0	1,187,732	1,250,000	-1,130,495	0	0	0
Sites and construction, general office buildings in or near the District of Columbia, Public Buildings Administration (no year)	5,330,358	5,108	1	194,892	200,000	5,130,358	5,130,358	0	0
Additional facilities, National Bureau of Standards, Washington, D. C., Public Buildings Administration (no year)	343,890	53,448	0	290,442	343,890	0	0	0	0
Emergency safeguarding of public buildings and property, Public Buildings Administration (no year)	113,724	0	0	0	0	113,724	113,724	0	0
Acquisition of site and construction of Federal office building, Nashville, Tenn., Public Buildings Administration (no year)	17,960	1,387	0	3,613	5,000	12,960	0	\$ 10,000	0
Return of departmental functions to the seat of government, Public Buildings Administration (no year)	5,569,403	645,131	306,358	4,348,511	5,300,000	269,403	269,403	0	0
Advance studies for Federal building construction, Public Buildings Administration (no year)	490,443	376,478	2,961	161,004	540,443	-50,000	0	0	0
Construction, purchase, remodeling, and designing buildings located outside the District of Columbia, Public Buildings Administration, act June 14, 1946 (no year)	58,871	9,093	0	49,778	58,871	0	0	0	0
Acquisition of additional land in the District of Columbia, Public Buildings Administration, act June 14, 1946 (no year)	13,000,000	3,842,540	377,000	5,080,460	9,300,000	3,700,000	3,700,000	0	0
Working capital fund, Public Buildings Administration (no year)	2,000,000	2,000	0	1,998,000	2,000,000	0	0	0	0
Veterans' decentralization allowances, Public Buildings Administration 1947-48	371,699	100,408	0	178,701	279,199	92,500	90,000	2,500	0
Materials testing laboratory and equipment, National Bureau of Standards (transfer to Federal Works Agency, Public Buildings Administration) (no year)	57,000	0	0	7,000	7,000	50,000	10,000	40,000	0
Construction and equipment, Saint Elizabeths Hospital, Federal Security Agency (transfer to Federal Works Agency, Public Buildings Administration) (no year)	7,797	0	0	0	0	7,797	0	7,797	0
Buildings for storeroom, etc., Saint Elizabeths Hospital, Federal Security Agency (transfer to Federal Works Agency, Public Buildings Administration) (no year)	1,847,432	14,355	0	1,485,645	1,500,000	347,432	347,432	0	0
Working fund, Federal Works Agency, Public Buildings Administration, 1946	1,504,340	23,717	0	1,326,283	1,350,000	154,340	154,340	0	0
Working fund, Federal Works Agency, Public Buildings Administration (no year)	7,445,131	1,307,011	0	6,011,675	7,318,686	126,445	0	126,445	0
Working fund, Federal Works Agency, Public Buildings Administration, 1947	634,778	313,998	0	269,327	583,325	51,453	0	51,453	0
Public Roads Administration:	887,375	29,523	0	857,852	887,375	0	0	0	0
Federal-aid postwar highways (no year)	17,224,627	126,722,451	3,777,549	244,500,000	375,000,000	-357,775,373	0	0	0
Federal-aid highway system (no year)	8,311,593	7,786,669	263,778	10,550,000	18,600,447	-10,288,854	0	0	0

\$ Together with the unobligated balance as of June 30, 1947.

\$ Unobligated balance as of June 30, 1947.

Forecast of balances in certain appropriation accounts, fiscal year 1947—Continued

Title of account (including years of availability)	Amount available for obligation, fiscal year 1947	Estimated obligations, fiscal year 1947					Balances not required for fiscal year 1947		
		Obligations Nov. 30, 1946	Commitments in process Nov. 30, 1946	Additional obligations required	Total obligations column 3+4+5	Total balances column 2 less 6	Required in subsequent fiscal years	Available for rescission	(9)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)		
FEDERAL WORKS AGENCY—continued									
Public Roads Administration—Continued									
Federal-aid secondary or feeder roads (no year)	\$5,248,764	\$2,731,971	\$76,793	\$5,440,000	\$8,248,764	-\$3,000,000	0	0	0
Elimination of grade crossings (no year)	13,673,466	4,633,043	38,423	20,300,000	24,973,466	-11,300,000	0	0	0
Public lands highways (no year)	162,369	0	0	162,369	162,369	0	0	0	0
NIR highway funds (act of June 16, 1933) (no year)	7,220	7,220	0	0	7,220	0	0	0	0
NIR highway funds (acts of June 18, 1934, and May 17, 1935) (no year)	9,230	5,902	0	3,328	9,230	0	0	0	0
Emergency relief, highways, grade-crossing elimination, Federal Works Agency, Public Roads Administration (no year)	1,466,393	361,746	0	1,104,647	1,466,393	0	0	0	0
Access roads, Public Roads Administration (national defense) (no year)	1,303,400	-1,052,643	0	459,013	-593,630	1,897,030	0	\$1,897,030	0
Strategic highway network, Public Roads Administration (national defense) (no year)	353,836	-2,228	0	77,906	75,678	278,158	0	278,158	0
Surveys and plans, Public Roads Administration (national defense) (no year)	1,061,110	138,705	0	922,405	1,061,110	0	0	0	0
Inter-American Highway, Public Roads Administration (no year)	1,234,315	906,048	5,267	120,000	1,031,315	203,000	\$203,000	0	0
Inter-American Highway (Costa Rica), Public Roads Administration (no year)	17,598	17,444	154	0	17,598	0	0	0	0
Flood relief, Missouri, Mississippi, Louisiana, and Arkansas, for restoration of roads and bridges	115,390	0	0	115,390	115,390	0	0	(9)	0
Mt. Vernon Memorial Highway (no year)	64,544	0	0	64,544	64,544	0	0	0	0
War and emergency damage, Territory of Hawaii, Public Roads Administration (no year)	8,000,000	0	0	5,000,000	5,000,000	3,000,000	3,000,000	0	0
Working fund, Federal Works Agency, Public Roads Administration (advance from other Federal agencies) (no year)	24,454,115	18,188,448	349,553	8,346,114	26,884,115	-2,430,000	0	0	0
Bureau of Community Facilities:									
Community facilities, defense public works, Office of Administrator, Federal Works Agency (no year)	7,016,294	-2,741,177	0	2,627,457	-113,720	7,130,014	7,130,014	0	0
Community facilities, defense public works, Office of Administrator, Federal Works Agency, maintenance, etc. (no year)	3,954,236	51,427	1,941,043	954,958	2,947,428	1,006,808	1,006,808	0	0
Virgin Islands public works, Bureau of Community Facilities, Federal Works Agency (no year)	1,350,203	980,221	0	1,352,367	2,332,588	-982,385	0	0	0

Veterans' educational facilities, Bureau of Community Facilities, Federal Works Agency (no year)	75,000,000	6,035,257	5,577,811	62,566,932	74,180,000	\$20,000	820,000	0
Emergency relief for Territory of Hawaii, Bureau of Community Facilities, Federal Works Agency (no year)	1,300,000	726,365	0	573,635	1,300,000	0	0	0
Total, Federal Works Agency	212,310,479	172,340,615	12,733,430	389,336,425	574,410,470	-362,099,991	22,179,238	2,640,918
NATIONAL HOUSING AGENCY								
Office of the Administrator:								
Veterans' housing, Office of Administrator, National Housing Agency (no year)	100,000	0	0	0	0	100,000	100,000	0
Salaries and expenses, Office of Administrator-Expediter, National Housing Agency, 1947	13,803,000	4,970,149	0	8,832,851	13,803,000	0	0	0
Penalty mail costs, National Housing Agency, 1947	235,600	123,170	0	172,430	295,600	0	0	0
Federal Home Loan Bank Administration:								
National defense housing, Home Owners Loan Corporation, Federal Home Loan Bank Administration	8	8	0	0	8	0	0	0
Federal Housing Administration:								
Supplies, materials, etc., war housing insurance fund, Federal Housing Administration (no year)	35,424	5,137	1,309	28,978	35,424	0	0	0
Federal Public Housing Authority:								
National defense housing, temporary shelter, Office of Administrator, National Housing Agency (transfer to Federal Public Housing Authority) (no year)	247,921	85,823	0	20,000	105,823	142,098	0	142,098
National defense housing, Office of Administrator, National Housing Agency (transfer to the Federal Public Housing Authority) (no year)	1,903,700	-946,488	0	1,950,188	1,003,700	900,000	900,000	0
Community facilities, defense public works, Office of Administrator, Federal Works Agency (allotment to Federal Public Housing Authority) (no year)	184,250	163,560	0	20,650	184,250	0	0	0
War housing in and near the District of Columbia, Federal Public Housing Authority (no year)	198,580	83,111	0	0	83,111	85,469	0	85,469
Veterans' housing, Office of Administrator, National Housing Agency (transfer to Federal Public Housing Authority) (no year)	279,463,488	238,951,294	0	38,200,794	277,152,088	2,311,400	2,311,400	0
Construction fund, U. S. Maritime Commission, act of June 29, 1936 (transfer to National Housing Agency, Federal Public Housing Authority) (no year)	574,040	-56	0	0	-56	574,096	0	574,096
Operation, maintenance, U. S. Maritime Commission housing projects, Federal Public Housing Authority (no year)	19,643	739	0	18,904	19,643	0	0	0
Operation, maintenance, etc., national defense housing, National Housing Agency, Federal Public Housing Authority (no year)	77,243,462	11,349,856	0	16,559,939	27,909,795	49,333,667	49,333,667	0
Operation, maintenance, etc., homes conversion, national defense housing, National Housing Agency, Federal Public Housing Authority (no year)	11,865,273	3,034,400	0	3,118,179	6,152,579	5,712,694	5,712,694	0
Disposition or removal, war housing program, Federal Public Housing Authority, National Housing Agency (no year)	39,925,774	229,560	0	14,205,549	14,435,109	25,490,665	25,490,665	0
* Unobligated balance as of June 30, 1947.								

Forecast of balances in certain appropriation accounts, fiscal year 1947—Continued

Title of account (including years of availability)	Amount available for obligation, fiscal year 1947 (2)	Estimated obligations, fiscal year 1947				Balances not required for fiscal year 1947		
		Obligations as of Nov. 30, 1946 (3)	Commitments in process Nov. 30, 1946 (4)	Additional obligations required (5)	Total obligations (column 3+4+5) (6)	Total balances (column 2 less 6) (7)	Required in subsequent fiscal years (8)	Available for rescission (9)
(1)								
NATIONAL HOUSING AGENCY—continued								
Federal Public Housing Authority—Continued								
Disposition or removal, homes conversion program, Federal Public Housing Authority, National Housing Agency (no year)	\$4,591,400	\$1,676	0	\$38,724	\$40,400	\$4,551,000	\$4,551,000	0
Disposition or removal, veterans' housing, Federal Public Housing Authority, National Housing Agency (no year)	0	2,314	0	-2,314	0	0	0	0
Operating fund, United States Housing Act of 1937, as amended, Federal Public Housing Authority (no year)	7,824,432	283,771	0	7,540,661	7,824,432	0	0	0
Supplies, materials, etc., Defense Homes Corporation, National Housing Agency (no year)	5,970	0	0	5,970	5,970	0	0	0
Total, National Housing Agency	438,251,965	258,338,024	\$1,309	90,711,543	349,050,876	89,201,089	88,399,426	\$801,663
DEPARTMENT OF AGRICULTURE								
Office of the Secretary:								
Working capital fund, Department of Agriculture (no year)	1,620,983	562,070	0	658,913	1,220,983	400,000	400,000	0
Payments from proceeds of sales of motor-propelled vehicles, etc., Department of Agriculture (no year)	421,000	181,642	0	239,358	421,000	0	0	0
Working fund, Agriculture, general (no year)	220,144	176,958	944	18,575	196,477	23,667	0	23,667
Working fund, Agriculture, general, 1942-46	134,414	44,396	4,241	7,108	55,745	78,669	0	78,669
Working fund, Agriculture, general, 1946	150,530	112,223	10,143	28,164	150,530	0	0	0
Working fund, Agriculture, general, 1947	212,300	104,646	18,562	89,092	212,300	0	0	0
Office of Information:								
Working funds, Agriculture, Office of Information, 1946	27,251	15,985	7,994	3,272	27,251	0	0	0
Working funds, Agriculture, Office of Information, 1947	45,000	24,297	16,911	3,792	45,000	0	0	0
Bureau of Agricultural Economics:								
Working fund, Agriculture, Bureau of Agricultural Economics, 1942-46	92	0	0	92	92	0	0	0
Working fund, Agriculture, Bureau of Agricultural Economics, 1946	37,045	35,907	470	668	37,045	0	0	0
Working fund, Agriculture, Bureau of Agricultural Economics (no year)	32,691	11,610	3,467	17,598	32,675	16	0	16
Working fund, Agriculture, Bureau of Agricultural Economics (special fund)	800	0	779	21	800	0	0	0

Working fund, Agriculture, Bureau of Agricultural Economics, 1944-47-----	15,514	12,502	2,950	62	15,514	0	0	0	0
Working fund, Agriculture, Bureau of Agricultural Economics, 1947-----	7,500	2,031	409	5,060	7,500	0	0	0	0
Extension Service: Working fund, Agriculture, Extension Service, 1941-46-----	8,707	5,052	0	0	5,052	3,655	0	3,655	0
Working fund, Agriculture, Extension Service (special fund) (no year)-----	476	0	0	0	0	476	0	476	0
Agricultural Research Administration: Office of the Administrator: Removal and reestablishment of Arlington Farm, Va. (transfer to Agriculture)-----	162,400	0	0	0	0	162,400	0	162,400	0
Working fund, Agriculture, Agricultural Research Administration (no year)-----	578	538	0	40	578	0	0	0	0
Working fund, Agriculture, Agricultural Research Administration, 1942-46-----	55,915	21,101	0	0	21,101	34,814	0	34,814	0
Working fund, Agriculture, Agricultural Research Administration, 1946-----	48,000	0	0	0	0	48,000	0	48,000	0
Working fund, Agriculture, Agricultural Research Administration, 1947-----	260,000	141,982	0	118,018	260,000	0	0	0	0
Bureau of Plant Industry, Soils, and Agricultural Engineering: Rubber investigations, Bureau of Plant Industry, Soils, and Agricultural Engineering (no year)-----	130	24	0	0	24	106	0	106	0
Bureau of Agricultural and Industrial Chemistry: Synthetic liquid fuels, Bureau of Mines (transfer to Agriculture, Bureau of Agricultural and Industrial Chemistry) (no year)-----	196,700	24,809	5,463	52,974	83,246	113,454	113,454	0	0
Forest Service: Working fund, Forest Service, 1942-46-----	121,921	29,006	10,500	30,950	70,456	51,465	0	51,465	0
Working fund, Forest Service, 1943-46-----	5,000	1,185	0	3,815	5,000	0	0	0	0
Working fund, Forest Service, 1946-----	296,266	167,821	4,574	41,048	213,443	82,823	0	82,823	0
Working fund, Forest Service, 1947-----	454,930	199,810	35,000	220,120	454,930	0	0	0	0
Working fund, 1946 (special fund) (no year)-----	6,000	4,517	0	1,483	6,000	0	0	0	0
Working fund, Forest Service (no year)-----	37,823	7,297	0	30,526	37,823	0	0	0	0
Payments to States and Territories (no year)-----	3,425,000	0	3,425,000	0	3,425,000	0	0	0	0
Acquisition of lands (no year)-----	37	0	0	0	0	37	0	37	0
Forest roads and trails (no year): Forest highways-----	13,784,261	13,674,860	0	109,401	13,784,261	0	0	0	0
Forest road development-----	13,136,056	7,734,082	200,000	5,201,974	13,136,056	0	0	0	0
Roads and trails for States (no year)-----	2,628,405	461,821	20,000	898,179	1,380,000	1,248,405	1,248,405	0	0
Flood control: Flood control, general, Department of Agriculture (no year)-----	5,519,619	1,174,086	1,496,887	829,027	3,500,000	2,019,619	2,019,619	0	0
Soil Conservation Service: Water conservation and utilization projects, Department of Agriculture (Soil Conservation Service) (no year)-----	1,824,619	199,563	0	582,480	782,043	1,042,576	1,042,576	0	0
Construction, water conservation and utility projects (allotment to Agriculture) (reimbursable) (Soil Conservation Service) (no year)-----	285,199	58,730	0	76,469	135,199	150,000	150,000	0	0
Excess payments submarginal land program, Farm Tenant Act (Soil Conservation Service) (no year)-----	700	622	0	78	700	0	0	0	0
Payments to counties from submarginal land programs, Farm Tenant Act (Soil Conservation Service) (no year)-----	156,000	2	0	155,998	156,000	0	0	0	0

Forecast of balances in certain appropriation accounts, fiscal year 1947—Continued

Title of account (including years of availability)	Amount available for obligation, fiscal year 1947 (2)	Estimated obligations, fiscal year 1947				Balances not required for fiscal year 1947		
		Obligations as of Nov. 30, 1946 (3)	Commitments in process Nov. 30, 1946 (4)	Additional obligations required (5)	Total obligations (column 3+4+5) (6)	Total balances (column 2 less 6) (7)	Required in subsequent fiscal years (8)	Available for rescission (9)
(1)								
DEPARTMENT OF AGRICULTURE—continued								
Conservation Service—Continued								
Working fund, Agriculture, Soil Conservation Service, 1941-46	\$276	\$148	0	0	\$148	\$128	0	\$128
Working fund, Agriculture, Soil Conservation Service, 1942-46	27,569	941	0	\$559	1,500	26,069	0	26,069
Production and Marketing Administration:								
Conservation and use of agricultural land resources, Department of Agriculture, 1946-47	8,945,000	0	0	0	0	8,945,000	0	8,945,000
Conservation and use of agricultural land resources, Department of Agriculture, 1947-48	284,820,166	254,822,849	0	29,997,317	284,820,166	0	0	0
Administration of Sugar Act, Department of Agriculture, 1947-48	52,414,777	52,275,610	0	139,167	52,414,777	0	0	0
Administration of Price Adjustment Act of 1938, Department of Agriculture (no year)	85,416	-222	0	0	-222	85,638	0	85,638
Exportation and domestic consumption of agricultural commodities, Department of Agriculture (cotton price adjustment) (no year)	169,188	13,593	0	16,527	30,120	139,068	0	139,068
Payments for agricultural adjustment, Department of Agriculture (no year)	4,505	0	0	0	0	4,505	0	4,505
Community facilities, defense public works (no year)	11,895	0	0	0	0	11,895	0	11,895
Working fund, Agriculture, Production and Marketing Administration, 1946	38,445	33,356	0	5,089	38,445	0	0	0
Working fund, Agriculture, Production and Marketing Administration, 1947	135,000	0	0	135,000	135,000	0	0	0
Working fund, Agriculture, Production and Marketing Administration, 1942-46	246,987	18,566	0	228,421	246,987	0	0	0
Working fund, Agriculture, Production and Marketing Administration, 1942-47	60,000	0	0	10,000	10,000	50,000	\$50,000	0
Working fund, Agriculture, Production and Marketing Administration, 1942-47	65,000	0	0	45,000	45,000	20,000	20,000	0
Working fund, Agriculture, Production and Marketing Administration, 1942-46	29,785	1,883	0	27,902	29,785	0	0	0
Salaries and expenses, Agricultural Adjustment Administration (no year)	365,174	803	0	211,093	211,896	153,278	153,278	0
Rural Electrification Administration:								
Loans and purchase of property, Rural Electrification Administration, Department of Agriculture (no year)	130,198	0	0	130,198	130,198	0	0	0

Farm Credit Administration:									
Agricultural marketing revolving fund, Farm Credit Administration, Department of Agriculture (no year)	4,956,203	983,061	0	525,439	1,508,500	3,447,703	3,447,703	0	
Farm Credit Administration revolving fund, Department of Agriculture (no year)	24,050,000	0	0	0	0	24,050,000	24,050,000	0	
Federal intermediate credit banks revolving fund, Department of Agriculture (no year)	40,000,000	0	0	0	0	40,000,000	40,000,000	0	
Federal Farm Mortgage Corporation excess capital stock, Department of Agriculture (no year)	190,000,000	0	0	0	0	190,000,000	190,000,000	0	
Subscriptions to paid-in surplus, Federal land banks revolving fund (no year)	152,075,591	0	0	0	0	152,075,591	152,075,591	0	
Subscriptions to capital stock, Federal land banks revolving fund (no year)	125,000,000	0	0	0	0	125,000,000	125,000,000	0	
Administrative expenses and refunds, Farm Credit Administration, Department of Agriculture (no year)	2,680,090	706,897	\$614,484	1,298,709	2,680,090	0	0	0	
Supervision expense funds (Reconstruction Finance Corporation), Regional Agricultural Credit Corporation, Farm Credit Administration, Department of Agriculture (no year)									
Total, Department of Agriculture	34,938	8,307	7,499	19,089	34,895	43	43	0	
	931,686,209	334,116,967	5,886,277	42,213,865	382,217,109	549,469,100	539,770,669	9,698,431	
DEPARTMENT OF COMMERCE									
Bureau of the Census:									
Working fund, Commerce, Bureau of the Census, 1947	151,852	47,130	0	83,222	130,352	21,500	0	21,500	
Working fund, Commerce, Bureau of the Census, 1946	485,926	267,930	0	186,365	494,295	31,631	20,246	11,385	
Civil Aeronautics Administration:									
Development of civil landing areas (no year)	2,541,431	1,155,758	0	595,673	1,751,431	790,000	790,000	0	
Federal-aid airport program, Federal Airport Act, 1947-53	45,000,000	333,951	0	40,416,049	40,750,000	4,250,000	4,250,000	0	
Preliminary planning and surveys, Federal Airport Act (no year)									
Working fund, Commerce, 1947	2,975,000	650,730	0	2,324,270	2,975,000	0	0	0	
Working fund, Commerce, 1947-50	1,515,136	790,223	0	724,913	1,515,136	0	0	0	
Working fund, Commerce, 1947-48	189,209	17,042	0	172,167	189,209	0	0	0	
Working fund, Commerce, 1946	20,450	0	0	20,450	20,450	0	0	0	
Working fund, Commerce, 1942-46	783,296	348,767	0	434,529	783,296	0	0	0	
Working fund, Commerce (no year)	(5,785,750)	(2,763,100)	0	(433,891)	(3,202,991)	(2,582,759)	(868,000)	(1,714,759)	
Construction, Washington National Airport (no year)	182,361	19,290	0	163,071	182,361	0	0	0	
Coast and Geodetic Survey:	5,163,000	4,406,000	0	757,000	5,163,000	0	0	0	
Working fund, Commerce, Coast and Geodetic Survey (no year)	15,733	6,402	0	4,514	10,916	4,817	0	4,817	
Working fund, Commerce, Coast and Geodetic Survey (special fund) (no year)	3,372	3,372	0	0	3,372	0	0	0	
Working fund, Commerce, Coast and Geodetic Survey, 1942-46	69,577	39,823	0	29,746	69,569	8	0	8	
Working fund, Commerce, Coast and Geodetic Survey, 1946	3,339	3,115	0	224	3,339	0	0	0	
Working fund, Commerce, Coast and Geodetic Survey, 1947	10,200	1,392	0	6,258	7,650	2,550	2,550	0	
Patent Office:									
Working fund, Commerce, Patent Office (Public Buildings Administration) (no year)	78,048	26,989	8,991	42,068	78,048	0	0	0	

* Returned to parent account subsequent to submission of report by agency.

Forecast of balances in certain appropriation accounts, fiscal year 1947—Continued

Title of account (including years of availability)	Amount available for obligation, fiscal year 1947 (2)	Estimated obligations, fiscal year 1947				Balances not required for fiscal year 1947		
		Obligations as of Nov. 30, 1946 (3)	Commitments in process Nov. 30, 1946 (4)	Additional obligations required (5)	Total obligations (column 3+4+5) (6)	Total balances (column 2 less 6) (7)	Required in subsequent fiscal years (8)	Available for rescission (9)
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
DEPARTMENT OF COMMERCE—continued								
National Bureau of Standards:								
Working fund, Commerce, Standards, 1942-46	\$1,700,575	\$799,450	0	\$315,347	\$1,114,797	\$585,778	\$573,442	\$12,336
Working fund, Commerce, Standards, 1946	1,404,702	591,785	0	620,340	1,212,125	192,577	108,232	84,345
Working fund, Commerce, Standards, 1947	67,504	4,104	0	48,086	52,190	15,314	15,314	0
Working fund, Commerce, Standards (no year)	1,036,131	213,869	0	497,822	711,691	324,440	324,075	365
Working fund, Commerce, Standards	262,094	59,418	0	145,607	205,025	57,069	57,069	0
Atomic Service, War Department (transfer to Commerce, Standards), 1947-48	325,000	85,790	0	234,210	320,000	5,000	5,000	0
Salaries and expenses, Bureau of the Census (transfer to Standards) (no year)	300,000	55,950	0	89,050	145,000	155,000	155,000	0
Materials testing laboratory and equipment, National Bureau of Standards (no year)	7,448	0	0	7,448	7,448	0	0	0
Electrical building and equipment, National Bureau of Standards (no year)	35	35	0	0	35	0	0	0
Station for broadcasting standard frequencies, National Bureau of Standards (no year)	1,078	78	0	0	78	1,000	0	1,000
Improvement of facilities, National Bureau of Standards (no year)	600,000	383,273	0	216,727	600,000	0	0	0
Purchase and installation of betatron, National Bureau of Standards (no year)	250,000	0	0	250,000	250,000	0	0	0
Weather Bureau:								
Working fund, Commerce, Weather Bureau (advance from flood control, general) (no year)	547,009	218,599	\$1,897	320,189	540,685	6,324	6,324	0
Working fund, Commerce, Weather Bureau (advance from Air Corps, Army), 1947	1,785,000	60,836	575	1,723,589	1,785,000	0	0	0
Working fund, Commerce, Weather Bureau (advance from Air Corps, Army), 1942-46	97,410	8,193	0	89,217	97,410	0	0	0
Working fund, Commerce, Weather Bureau (advance from Aviation, Navy), 1947	99,000	26,814	0	72,186	99,000	0	0	0
Working fund, Commerce, Weather Bureau (advance from Reclamation Fund, special fund, general investigations, Department of the Interior) (no year)	59,730	18,898	0	40,832	59,730	0	0	0
Working fund, Commerce, Weather Bureau (advance from "Maintenance and improvement of existing river and harbor works," War) (no year)	1,381	637	0	744	1,381	0	0	0

Working fund, Commerce, Weather Bureau (advance from Tennessee Valley Authority), 1947.	500	0	11,463	500	500	61,289,519	6,443,008	0	6,307,252	0	135,756
Total, Department of Commerce.	67,732,527	10,645,643	11,463	50,632,413	500	61,289,519	6,443,008	0	6,307,252	0	135,756
DEPARTMENT OF THE INTERIOR											
Office of the Secretary:											
War agency liquidation, Department of the Interior, 1947.	150,000	94,548	2,474	67,978		165,000	-15,000	0	0	0	0
Salaries and expenses, Division of Geography, 1947.	12,956	5,158	812	6,986		12,956	0	0	0	0	0
Working fund, Interior, United States Board on Geographical Names (advance from Corps of Engineers, War Department), 1942-47.	220,608	86,285	8,125	126,198		220,608	0	0	0	0	0
Bonneville Power Administration:											
Construction, operation and maintenance, Bonneville Power Administration (no year)	15,083,213	4,879,472	954,000	9,249,741		15,083,213	0	0	0	0	0
Solid Fuels Administration for War:											
Salaries and expenses, Solid Fuels Administration for War, 1947.	2,950,000	1,092,022	50,971	1,807,007		2,950,000	0	0	0	0	0
Bureau of Land Management:											
Working fund, Interior, land management (Missouri River Basin, General Land Office) (no year)	168,080	121,516	0	46,564		168,080	0	0	0	0	0
Working fund, Interior, land management (Missouri River Basin, grazing) (no year)	477	477	0	0		477	0	0	0	0	0
Working fund, Interior, land management (access roads) (no year)	37,518	23,134	0	14,384		37,518	0	0	0	0	0
Working fund, Interior, Bureau of Land Management (public works, Bureau of Yards and Docks) (no year)	36,608	17,020	0	19,588		36,608	0	0	0	0	0
Working fund, Interior, land management (construction, water conservation and utility projects) (no year)	11,500	5,327	0	6,173		11,500	0	0	0	0	0
Working fund, Interior, land management (reclamation fund, special fund, Minidoka project) (no year)	30,500	9,851	0	20,649		30,500	0	0	0	0	0
Working fund, Interior, land management, 1942-46.	6,000	741	0	5,259		6,000	0	0	0	0	0
Bureau of Indian Affairs:											
Alaska native service, 1947-48.	3,822,008	1,711,499	2,103,046	304,463		4,119,008	-290,000	0	777,904	0	0
Revolving fund for loans, Indian Service (no year)	2,900,298	564,465	508,500	989,429		2,122,394	777,904	0	0	0	0
Purchase of land for Navajo Indians, Arizona (reimburseable) (no year)	308	0	0	0		0	308	0	0	308	0
Acquisition of lands for Indian tribes (no year)	391,362	-6,257	41,362	356,257		391,362	0	0	0	0	0
Redemption of restricted Indian property subject to taxation (no year)	5,108	225	2,776	0		3,001	2,107	0	2,107	0	0
Payment to absentee Shawnees for land (no year)	1,733	0	0	0		0	1,733	0	1,733	0	0
Payment to Indians of Fort Berthold Reservation, N. Dak., for lands (no year)	500	500	0	0		500	0	0	0	0	0
Payment to Indians of the Klamath Agency (no year)	3,486	0	0	0		0	3,486	0	3,486	0	0
Payment to Indians of Round Valley Reservation, Calif., for lands (no year)	503	0	0	0		0	503	0	503	0	0
Payment to Shawnee and affiliated Delaware Indians, Oklahoma, act of Dec. 22, 1927 (no year)	75	0	0	0		0	75	0	75	0	0
Payment to Sioux Indians for nonreceipt of land allotments (no year)	360	0	0	0		0	360	0	360	0	0
Acquisition of lands and loans to Indians in Oklahoma, act June 26, 1936 (no year)	8,767	0	0	0		0	8,767	0	8,767	0	0

Forecast of balances in certain appropriation accounts, fiscal year 1947--Continued

Title of account (including years of availability)	Amount available for obligation, fiscal year 1947	Estimated obligations, fiscal year 1947				Balances not required for fiscal year 1947		
		Obligations as of Nov. 30, 1946	Commitments in process Nov. 30, 1946	Additional obligations required	Total obligations (column 3+4+5)	Total balances (column 2 less 6)	Required in subsequent fiscal years	Available for rescission
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
DEPARTMENT OF THE INTERIOR—continued								
Bureau of Indian Affairs—Continued								
Purchase of land for landless Indians in California, act of Mar. 3, 1925 (no year)	\$2,004	\$0	\$0	\$0	\$0	\$2,004	\$2,004	\$0
Payments to Indians, States, counties, etc., June 11, 1940 (no year)	7,667	2,584	0	5,083	7,667	0	0	0
Indian arts and crafts fund (no year)	1,189	0	0	0	0	1,189	1,189	0
Construction, irrigation systems, Indian Service (reimbursable) (no year)	1,565,738	460,195	536,113	214,601	1,210,909	354,829	344,962	9,867
Construction, etc., irrigation systems, Indian reservations (no year)	42	—99	0	141	42	0	0	0
Expenses of fulfilling Aloka agreement (no year)	13,934	0	13,934	0	13,934	0	0	0
Construction, buildings and utilities, Indian Service (no year)	4,885,382	90,072	78,809	1,481,819	1,650,700	3,234,682	3,103,274	131,408
Construction, extension, equipment, and improvement of public school facilities, Indian Service (no year)	185,500	0	0	0	0	185,500	185,500	0
Roads, Indian Service (no year)	4,172,678	915,939	1,310,214	1,274,938	3,501,091	671,587	671,587	0
Fulfilling treaties with Chippewas, Turtle Mountain Band (no year)	113	0	0	0	0	113	113	0
Fulfilling treaties with Columbias and Colvilles (no year)	2,850	0	0	0	0	2,850	2,850	0
Fulfilling treaties with Indians at Blackfeet Agency (no year)	55	0	0	0	0	55	55	0
Fulfilling treaties with Indians at Fort Berthold Agency (no year)	112	112	0	0	112	0	0	0
Fulfilling treaties with Indians formerly at Lemhi Agency, Idaho (no year)	2,895	0	0	0	0	2,895	2,895	0
Fulfilling treaties with Omahas (no year)	391	0	0	0	0	391	391	0
Fulfilling treaties with Ottawas, Chippewas, Michigan (no year)	188	0	0	0	0	188	188	0
Fulfilling treaties with Shoshones and Arapahoes in Wyoming (no year)	195	0	0	0	0	195	195	0
Fulfilling treaties with Spokanes (no year)	236	0	0	0	0	236	236	0
Fulfilling treaties with Senecas of New York (no year)	7,652	5,985	15	0	6,000	1,652	1,652	0
Fulfilling treaties with Six Nations of New York (no year)	6,804	4,500	0	0	4,500	2,304	2,304	0
Fulfilling treaties with Choctaws, Oklahoma (no year)	85,935	452	1,263	0	1,715	84,220	84,220	0
Fulfilling treaties with Pawnees, Oklahoma (no year)	31,258	14,990	15,010	0	30,000	1,258	1,258	0

Fulfilling treaties with Winnebagoes, Nebraska (Wisconsin Band) (no year)	3,694	0	0	0	0	3,694	0
Payment to loyal Shawnee Indians, Oklahoma (no year)	2,332	0	143	2,332	0	0	0
Support of Wisconsin Band of Potawatomie, Wisconsin and Michigan (reimbursable) (no year)	500	0	0	0	500	0	500
Payment to Indians of the Fort Berthold Indian Reservation, N. Dak. (no year)	400,000	0	0	400,000	0	0	0
Payment to Sioux Indians for property losses, 1946-1955, Act May 3, 1928 (no year)	91,467	2,952	5,102	19,837	71,630	0	0
Expenses of distributing payment to Sioux Indians for property losses, act May 3, 1928 (no year)	7,739	2,554	0	7,739	0	0	0
Working fund, Interior Indians (no year)	46,043	4,990	12,891	20,505	25,538	0	25,538
Working fund, Department of the Interior, subsistence, Homestead project (no year)	2,093	0	0	0	2,093	0	2,093
Construction of forest access roads to standing timber (advance from Reconstruction Finance Corporation)	1,518,000	117,374	887,295	1,234,000	284,000	284,000	0
Working fund, Interior, Indians (Missouri River Basin) (no year)	5,324	5,324	0	5,324	0	0	0
Bureau of Reclamation:							
Reclamation fund, special fund, construction (reimbursable) (no year):							
Gila project, Arizona	36,510	13,017	14,269	9,224	36,510	0	0
Salt River project, Arizona	(394,261)	0	0	0	0	(394,261)	0
Yuma project, Arizona	100,000	0	0	0	100,000	0	0
Orland project, California	(35,000)	0	0	0	0	(35,000)	0
Colorado-Big Thompson project, Colorado	109,384	0	0	109,384	0	0	0
Grand Valley project, Colorado	(122,132)	0	0	0	0	(122,132)	0
Panola project, Colorado	(836,248)	0	0	0	0	(836,248)	0
Pine River project, Colorado	11,912	0	0	11,912	0	0	0
San Luis Valley project, Colorado	1,650,410	0	0	8,965	8,965	1,641,445	0
Uncompangre project, Colorado	(5,182)	0	0	0	0	(5,182)	0
Boise project, Anderson Ranch, Idaho	2,328,901	1,650,521	354,785	323,595	2,328,901	0	0
Boise project, Payette division, Idaho	6,172,486	1,357,555	1,895,044	854,101	4,107,000	2,065,486	0
Boise project, Drainage, Idaho	143,523	0	0	0	0	143,523	0
Minidoka project, Idaho	1,646,937	118,827	527,634	297,173	416,000	1,230,937	0
Palisades project, Idaho	2,051,260	261,095	0	186,531	975,260	1,076,000	0
Upper Snake River project, Idaho	25	25	0	0	25	0	0
Sun River project, Montana	107,434	30,069	5,249	16,682	52,000	55,434	0
Hungry Horse project, Montana	21,937	21,937	0	0	21,937	0	0
Humboldt project, Nevada	3,568	0	0	0	0	3,568	0
Carlsbad project, New Mexico	34,747	823	9,000	24,924	34,747	0	0
Rio Grande, Elephant Butte Power project, New Mexico							
Tucumcari project, New Mexico	1,254,406	273,013	666,490	236,832	1,176,335	78,071	0
Lager-Altus project, Oklahoma	3,723,116	191,595	394,777	1,998,261	2,584,633	1,138,483	0
Deschutes project, Oregon-California	4,655,835	516,114	1,675,493	460,698	2,652,305	2,003,530	0
Klamath project, Oregon-California	3,097,434	526,036	447,000	629,898	1,602,934	1,494,500	0
Owyhee project, Oregon-California	2,564,410	478,285	281,824	856,891	1,617,000	947,410	0
Belle Fourche project, South Dakota	334,557	50,872	17,088	108,990	176,950	157,607	0
Hyrum project, Utah	(28,547)	0	0	0	0	(28,547)	0
Orderville project, Utah	(1,289)	0	0	0	0	(1,289)	0
Orderville project, Utah	102,007	14,352	50,065	2,583	67,000	35,007	0

Estimated amount to be returned by administrative action to Reclamation fund, special fund.

Forecast of balances in certain appropriation accounts, fiscal year 1947—Continued

Title of account (including years of availability)	Amount available for obligation, fiscal year 1947	Estimated obligations, fiscal year 1947				Balances not required for fiscal year 1947		
		Obligations as of Nov. 30, 1946	Commitments in process Nov. 30, 1946	Additional obligations required	Total obligations (column 3+4+5)	Total balances (column 2 less 6)	Required in subsequent fiscal years	Available for rescission
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
DEPARTMENT OF THE INTERIOR—continued								
Bureau of Reclamation—Continued								
Reclamation fund, special fund, constructed (reimbursable) (no year)—Continued								
Provo River project, Utah	\$3,758,397	\$1,040,931	\$968,882	\$145,008	\$2,174,821	\$1,583,576	\$1,583,576	0
Yakima project, Roza division, Washington	4,234,922	290,831	1,150,696	1,241,500	2,683,027	1,551,895	1,551,895	0
Yakima project, Wyoming	(100,000)	0	0	0	0	(100,000)	0	\$ (100,000)
Kendrick project, Wyoming	2,648,359	108,087	651,662	359,755	1,119,504	1,528,855	1,528,855	0
Riverton project, Wyoming	5,215,782	302,677	45,000	719,073	1,066,750	4,149,032	4,149,032	0
Shoshone project, Heart Mountain division, Wyoming	3,233,842	288,784	35,000	406,216	730,000	2,503,842	2,503,842	0
Shoshone project, Willow division, Wyoming	267,334	13,001	12,600	75,999	101,000	166,334	166,334	0
Shoshone project, Fower division, Wyoming	1,140,279	12,041	15,000	699,959	727,000	413,279	413,279	0
General investigations	7,443,821	2,187,127	2,329,165	2,927,529	7,443,821	0	0	0
General fund, construction (no year):								
Gila project, Arizona (reimbursable)	3,520,298	1,139,996	1,035,664	1,344,638	3,520,298	0	0	0
Davis Dam project, Arizona-Nevada (reimbursable)	15,325,904	4,808,869	8,068,167	2,448,868	15,325,904	0	0	0
Parker Dam power project, Arizona-California (reimbursable)								
Central Valley project, California (reimbursable)	355,997	124,249	3,399	111,349	238,997	117,000	117,000	0
Kings River project, California (reimbursable)	43,458,024	5,184,929	19,771,343	7,779,590	32,735,862	10,722,162	10,722,162	0
Colorado-Big Thompson project, Colorado (reimbursable)	100,000	0	0	100,000	100,000	0	0	0
Pine River project, Colorado (reimbursable)	10,945,231	3,731,909	4,210,751	2,891,206	10,833,866	112,365	112,365	0
San Luis Valley project, Colorado (reimbursable)	13,454	4,023	4,838	4,593	13,454	0	0	0
Boise project, Idaho, Anderson Ranch (reimbursable)	385,035	135,254	17,654	232,127	385,035	0	0	0
Hungry Horse project, Montana (reimbursable)	316,127	316,127	0	0	316,127	0	0	0
Tuacarnai project, New Mexico (reimbursable)	2,358,466	518,118	1,479,791	1,969	1,999,878	358,588	358,588	0
Lugert-Altus project, Oklahoma (reimbursable)	735,367	405,593	328,338	1,436	735,367	0	0	0
Colorado River project, Texas (reimbursable)	434,340	177,332	253,437	3,571	434,340	0	0	0
Provo River project, Utah (reimbursable)	114,793	0	28,786	86,007	114,793	0	0	0
Columbia Basin project, Washington (reimbursable)	720	0	256	464	720	0	0	0
Yakima project, Roza Division, Washington	30,631,705	5,409,151	16,050,000	8,088,554	29,547,705	1,084,000	1,084,000	0
General investigations, Bureau of Reclamation (reimbursable)	109,889	100,095	0	9,794	109,889	0	0	0
Water conservation and utility projects, act of Aug. 11, 1939, as amended (reimbursable) (no year)	49,685	0	0	49,685	49,685	0	0	0
	6,330,525	421,289	319,204	706,695	1,447,188	4,883,337	4,883,337	0

Construction, water conservation and utilization projects (reimbursable) (no year)	843,348	17,881	12	33,469	51,362	791,986	0
Fort Peck project, Montana (reimbursable) (no year)	1,929,339	47,475	228,281	653,816	929,572	999,767	0
Fort Peck project, Montana (special fund), continuing fund for operation, maintenance, and emergency expenses (no year)	704,700	131,052	45,926	27,722	204,700	500,000	0
Missouri River Basin (reimbursable) (no year)	27,139,040	2,583,877	7,319,456	12,420,707	22,324,040	4,815,000	0
Missouri River Basin (reimbursable), 1946-47	515,552	439,120	14,554	61,878	515,552	0	0
Colorado River Dam fund, Boulder Canyon project (no year)	3,732,493	1,849,845	889,523	195,412	2,934,780	797,713	0
Payments to States of Arizona and Nevada (no year)	600,000	0	0	600,000	600,000	0	0
Repayment of advances from the Treasury, with interest (no year)	5,100,000	0	0	5,100,000	5,100,000	0	0
Colorado River Dam fund, All-American Canal (no year)	8,726,107	1,573,559	2,949,944	2,146,472	6,609,975	2,056,132	0
Colorado River development fund (no year)	1,780,728	589,298	130,000	1,061,430	1,780,728	0	0
Colorado River front work and levee system (no year)	500,758	0	0	500,758	500,758	0	0
Valley gravity project, Texas (reimbursable) (no year)	1,716,023	179,551	33,064	187,385	400,000	1,316,023	0
Working fund, Interior, Reclamation, (transfer from Federal Works Agency)	285,811	10,641	0	21,359	32,000	253,811	0
Flood control, general (transfer to Interior, Reclamation), Lugert-Altus project, Oklahoma (no year)	34,138	2,525	25,751	5,862	34,138	0	0
Geological Survey:							
Maintenance and improvement of existing river and harbor works (transfer to Interior, Geological Survey) (no year)	163,097	41,080	0	82,017	123,097	40,000	0
Flood control, general (transfer to Interior, Geological Survey) (no year)	721,264	119,922	0	421,342	541,264	180,000	0
Atomic Service, War Department (transfer to Interior, Geological Survey), 1947-48	200,000	9,878	0	190,122	200,000	0	0
Expenses of fulfilling Atocha agreement (transfer to Geological Survey) (no year)	1,407	69	0	1,338	1,407	0	0
Operation and maintenance, Indian irrigation systems (transfer to Geological Survey), 1947	2,200	0	0	2,200	2,200	0	0
General investigations, Bureau of Reclamation (transfer to Geological Survey) (no year)	5,045	112	0	4,933	5,045	0	0
Reclamation fund, special fund (transfer to Geological Survey) (no year)	59,716	8,600	0	51,116	59,716	0	0
Gila project, Arizona (reimbursable) (transfer to Geological Survey) (no year)	1,567	0	0	1,567	1,567	0	0
Colorado River dam fund, All-American Canal (transfer to Geological Survey) (no year)	2,817	0	0	2,817	2,817	0	0
Working fund, Interior, Geological Survey (advance from Army Air Corps, 1942-46)	215,000	73,464	291	76,245	180,000	65,000	0
Working fund, Interior, Geological Survey (advance from Corps of Engineers), 1942-46	1,400,000	100,309	249	1,299,442	1,400,000	0	0
Working fund, Interior, Geological Survey (advance from Navy Department), 1946	10,390	10,390	0	0	10,390	0	0
Working fund, Interior, Geological Survey (advance from Navy Department), 1947-50	270,900	49,375	0	151,525	200,900	70,000	0
Working fund, Interior, Geological Survey (advance from Public Roads Administration) (no year)	54,224	19,760	0	34,464	54,224	0	0
Payments from proceeds of sale of water (no year)	3,674	0	0	0	0	3,674	0

Forecast of balances in certain appropriation accounts, fiscal year 1947—Continued

Title of account (including years of availability)	Amount available for obligation, fiscal year 1947	Estimated obligations, fiscal year 1947				Balances not required for fiscal year 1947		
		Obligations as of Nov. 30, 1946	Commitments in process Nov. 30, 1946	Additional obligations required	Total obligations (column 3+4+5)	Total balances (column 2 less 6)	Required in subsequent fiscal years	Available for rescission
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
DEPARTMENT OF THE INTERIOR—continued								
Bureau of Mines:								
Purchase of land, etc., Bartlesville, Okla. (no year)	\$951	\$133	0	\$818	\$951	0	0	0
Construction and equipment of anthracite research laboratory, Bureau of Mines (no year)	450,000	0	0	25,000	25,000	\$425,000	\$425,000	0
Synthetic liquid fuels (no year)	9,077,039	2,144,721	\$6,097,255	835,063	9,077,039	0	0	0
Reduction of zinc concentrates with methane gas (national defense) (no year)	3,183	—950	0	0	—950	4,133	0	4,133
Drainage tunnel, Leadville, Colo., Bureau of Mines (national defense) (no year)	37,381	4,789	0	3,511	8,300	29,081	0	29,081
Development and operation of helium properties (special fund) (no year)	618,512	16,074	0	133,926	150,000	468,512	468,512	0
Working funds, Interior, Mines:								
Ordinance service and supply, 1947	15,000	0	0	15,000	15,000	0	0	0
War Assets Administration, 1947	28,000	0	0	28,000	28,000	0	0	0
Aviation, Navy, 1946	2,108	48	0	2,060	2,108	0	0	0
Office of Scientific Research and Development, 1946	143,954	12,942	0	1,012	13,954	130,000	0	130,000
Army, engineer service, 1942-46	52,230	7,382	0	943	8,325	43,905	0	43,905
Maintenance, Bureau of Ships, 1946	18,442	11,525	0	6,917	18,442	0	0	0
Maintenance, Bureau of Ships, 1947	9,000	0	0	9,000	9,000	0	0	0
Foreign Economic Administration, 1946	161	0	0	161	161	0	0	0
Navy, Office of Naval Research, 1947	90,000	26	0	89,974	90,000	0	0	0
Ordinance service and supplies, Army, 1942-46	15,000	7,054	0	7,946	15,000	0	0	0
Ordinance and ordinance stores, Navy, 1946	2,039	2,000	0	39	2,039	0	0	0
Civilian Production Administration, 1947	37,500	18,120	0	19,380	37,500	0	0	0
Civilian Production Administration, 1946	1,218	616	0	602	1,218	0	0	0
Agriculture, human nutrition, 1946	20,000	14,294	0	5,706	20,000	0	0	0
Army, ordnance service and supplies, 1942-46	29,912	16,458	0	13,454	29,912	0	0	0
Office of Chief of Ordnance, 1947	60,000	5,135	0	54,865	60,000	0	0	0
War, Army Air Forces, 1942-46	247,020	18,881	12,500	73,794	105,175	141,845	141,845	0
Chief, Chemical Warfare, 1942-46	70,000	2,823	0	32,177	35,000	35,000	35,000	0
Missouri River Basin, 1946-47	35,923	—35,923	0	0	35,923	0	0	0
Naval Air Material Center, Navy, 1947	8,000	109	0	7,891	8,000	0	0	0
Navy, Bureau of Aeronautics, 1946	50,000	13,062	0	36,938	50,000	0	0	0
National Park Service:								
National Park Service (no year)	79,391	184	0	79,207	79,391	0	0	0
Purchase of lands, National Park Service (no year)	1,586	0	0	1,586	1,586	0	0	0

Roads and trails, National Parks, emergency construction, act of June 19, 1934 (no year)	22	188	0	0	0	0	0	22	0	22	0
Arlington Memorial Bridge, National Park Service (no year)	1, 198	188	0	0	0	0	0	0	0	0	0
Parkways, National Park Service (no year)	13, 176, 310	1, 632, 478	333, 114	0	1, 010	4, 977, 400	8, 198, 910	8, 198, 910	8, 198, 910	8, 198, 910	0
Roads and trails, National Park Service (no year)	6, 665, 800	858, 522	283, 203	0	2, 991, 808	5, 173, 881	1, 491, 919	1, 491, 919	1, 491, 919	1, 491, 919	0
Acquisition of land, Great Smoky Mountains National Park (no year)	75, 006	0	7	0	74, 999	75, 006	0	0	0	0	0
Physical improvements, buildings and utilities, National Park Service (no year)	1, 497, 665	132, 547	248, 590	0	1, 018, 863	1, 400, 000	97, 665	97, 665	97, 665	97, 665	0
Roads and trails, National Parks, emergency construction (no year)	5, 903	5, 536	0	0	367	5, 903	0	0	0	0	0
Working fund, Interior, National Park Service (advance from Bureau of Reclamation) (no year)	194, 026	60, 044	31, 540	0	102, 442	194, 026	0	0	0	0	0
Working fund, Interior, National Park Service (advance from War Department) (no year)	141, 087	57, 580	36, 675	0	32, 832	127, 087	14, 000	14, 000	14, 000	14, 000	0
Working fund, Interior, National Park Service (advance from Bureau of Reclamation) 1946-47	7, 236	7, 045	0	0	191	7, 236	0	0	0	0	0
Working fund, Interior, National Park Service (advance from Navy Department) (no year)	32, 297	15, 360	0	0	16, 937	32, 297	0	0	0	0	0
Fish and Wildlife Service.											
Federal aid, wildlife restoration, Fish and Wildlife Service (receipt limitation)	2, 834, 831	1, 224, 343	0	0	1, 127, 712	2, 352, 055	482, 776	482, 776	482, 776	482, 776	0
National industrial recovery, Interior, wildlife refuges, Fish and Wildlife Service (no year)	1, 781	103	0	0	1, 678	1, 781	0	0	0	0	0
Upper Mississippi River wildlife refuge, Fish and Wildlife Service (no year)	1, 109	0	0	0	1, 109	1, 109	0	0	0	0	0
Construction and equipment of by-products plant, Pribilof Islands, Alaska, Fish and Wildlife Service (no year)	41, 283	25, 725	0	0	15, 558	41, 283	0	0	0	0	0
Working fund, Interior, Fish and Wildlife Service (War Department) (no year)	30, 172	15, 899	0	0	14, 273	30, 172	0	0	0	0	0
Working fund, Interior, Fish and Wildlife Service (entomology) (no year)	5, 000	689	0	0	4, 311	5, 000	0	0	0	0	0
Working fund, Interior, Fish and Wildlife Service (Census) (no year)	225	225	0	0	0	225	0	0	0	0	0
Working fund, Interior, Fish and Wildlife Service (Shasta Dam) (no year)	7, 189	7, 189	0	0	0	7, 189	0	0	0	0	0
Working fund, Interior, Fish and Wildlife Service (Sacramento, San Joaquin Valley) (no year)	47, 287	22, 437	0	0	24, 850	47, 287	0	0	0	0	0
Working fund, Interior, Fish and Wildlife Service (Columbia River Basin) (no year)	35, 000	16, 858	0	0	18, 142	35, 000	0	0	0	0	0
Working fund, Interior, Fish and Wildlife Service (Navy) (no year)	7, 079	4, 702	0	0	2, 377	7, 079	0	0	0	0	0
Government in the Territories:											
Wagon roads, bridges, and trails, Alaska (receipt limitation) (no year)	170, 000	77, 000	0	0	93, 000	170, 000	0	0	0	0	0
Reconstruction and improvement of Richardson Highway, Alaska (no year)	786, 337	500, 000	0	0	286, 337	786, 337	0	0	0	0	0
Working fund, Interior (Alaska Road Commission) (no year)	25, 000	25, 000	0	0	0	25, 000	0	0	0	0	0
Emergency fund, Territories and island possessions (national defense) (no year)	133, 011	2, 329	0	0	9, 682	12, 011	0	0	0	0	0
Alaska Railroad special fund (no year)	10, 663, 848	5, 459, 683	0	0	5, 204, 165	10, 663, 848	121, 000	121, 000	121, 000	121, 000	0

Forecast of balances in certain appropriation accounts, fiscal year 1947—Continued

Title of account (including years of availability)	Amount available for obligation, fiscal year 1947	Estimated obligations, fiscal year 1947				Balances not required for fiscal year 1947		
		Obligations as of Nov. 30, 1946	Commitments in process Nov. 30, 1946	Additional obligations required	Total obligations (column 3+4+5)	Total balances (column 2 less 6)	Required in subsequent fiscal years	Available for rescission
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
DEPARTMENT OF THE INTERIOR—continued								
Government in the Territories—Continued								
Federal aid, wildlife restoration, Territories and island possessions, Department of the Interior (no year)	\$2,000	0	0	\$2,000	\$2,000	0	0	0
Emergency relief, Puerto Rico revolving fund, act of Feb. 11, 1936 (no year)	3,453,693	\$427,993	0	417,907	845,900	\$2,607,793	\$2,607,793	0
Total, Department of the Interior	320,143,356	63,667,363	\$88,394,186	95,132,028	247,193,577	72,949,779	72,742,924	\$511,855
DEPARTMENT OF JUSTICE								
Federal Prison System:								
Buildings and equipment, penal institutions (no year)	2,436,739	307,573	61,262	1,034,904	1,403,739	1,033,000	168,000	865,000
Chillicothe, Ohio, U. S. Industrial Reformatory, construction (no year)	90	0	0	0	0	90	0	90
U. S. Northeastern Penitentiary, construction (no year) (Lewisburg)	1,793	156	0	0	156	1,637	0	1,637
Public Works Administration, act of 1938 (allotment to Justice, Prisons) (no year)	1,703	0	0	0	0	1,703	0	1,703
McNeil Island, Wash., U. S. Penitentiary, construction and repair (no year)	22,674	2,610	1,350	18,714	22,674	0	0	0
Federal jails, building and equipment (Sandstone) (no year)	370	0	0	0	0	370	0	370
Working fund, Justice, Prisons (no year)	149,730	0	0	0	0	149,730	0	149,730
Prison industries fund, Department of Justice	16,759,957	4,396,205	4,471,417	4,892,335	\$13,759,957	3,000,000	3,000,000	0
Total, Department of Justice	19,373,056	4,706,544	4,534,029	5,945,953	15,186,526	4,186,530	3,168,000	1,018,530
DEPARTMENT OF LABOR								
Office of the Secretary:								
Veterans' housing, Office of Administrator, National Housing Agency (transfer, to Labor)	18,368	0	0	15,000	15,000	3,368	0	3,368
Working funds, Labor, Office of the Secretary, 1946-47	164,950	109,006	17,425	38,519	164,950	0	0	0
National Wage Stabilization Board functions, Office of Secretary of Labor, 1947	19,000	0	0	19,000	19,000	0	0	0
National Wage Stabilization Board liquidation costs, Office of Secretary of Labor, 1947	95,000	0	0	95,000	95,000	0	0	0

Salaries, Retraining and Reemployment Administration, Department of Labor, 1947	338,000	185,436	0	177,564	363,000	-25,000	0	0
Migration of workers, War Manpower functions, Department of Labor, 1944 ¹⁰	652,376	0	0	0	0	652,376	0	652,376
Migration of workers, War Manpower functions, Department of Labor, 1945 ¹⁰	4,884	0	0	0	0	4,884	0	4,884
Migration of workers, War Manpower functions, Department of Labor, 1946 ¹⁰	218,345	218,345	0	0	218,345	0	0	0
Bureau of Labor Statistics:								
Working fund, Labor, Labor Statistics (advance from National Wage Stabilization Board), 1947	2,500	0	0	2,500	2,500	0	0	0
Working fund, Labor, Labor Statistics (advance from National Wage Stabilization Board), 1946	19,377	18,238	0	1,139	19,377	0	0	0
Working fund, Labor, Labor Statistics (advance from National Housing Agency) (no year)	238	0	0	0	0	238	0	238
National Wage Stabilization Board:								
Salaries and expenses, National Wage Stabilization Board, Department of Labor, 1947	4,191,900	2,151,700	196,583	651,717	3,000,000	1,191,900	0	1,191,900
Working funds, Labor, Wage and Hour Division, 1946-47	661,500	488,292	109,706	63,502	661,500	0	0	0
Total, Department of Labor	6,386,438	3,171,017	323,714	1,063,941	4,558,672	1,827,766	0	1,852,766
NAVY DEPARTMENT								
Office of the Secretary:								
Naval emergency fund	-4,792,971	314,215	0	82,785	397,000	-5,189,971	0	0
Exploration Naval Petroleum Reserve, No. 4, 1947-50	9,600,000	660,497	2,230,000	6,659,503	9,600,000	0	0	0
Bureau of Supplies and Accounts:								
Naval stock fund (no year)	876,446,000	223,198,334	500,000,000	103,247,666	826,446,000	50,000,000	50,000,000	0
Clothing and small stores fund (no year)	148,457,423	1,635,171	271,000,000	60,822,252	133,457,423	15,000,000	15,000,000	0
Naval working fund (no year)	500,000,000	-332,138,764	0	757,138,764	425,000,000	75,000,000	25,000,000	50,000,000
Naval procurement fund (no year)	557,185,350	215,455,951	165,910,350	125,819,049	507,185,350	50,000,000	0	50,000,000
Strategic and critical materials, Navy (no year)	94	0	0	0	0	94	0	94
Reserve material, Navy (no year)	62,800	0	0	0	0	62,800	0	62,800
Bureau of Yards and Docks:								
Public works, Bureau of Yards and Docks, 1947	131,018,300	17,355,604	47,253,256	51,300,926	115,909,786	15,108,514	0	15,108,514
Bureau of Aeronautics:								
Aviation, Navy (no year)	310,000,000	126,771,846	111,611,034	71,617,120	310,000,000	0	0	0
Increase and replacement of naval vessels:								
Repair facilities, Navy (no year)	6,389,710	-9,432,194	10,825,478	996,426	2,389,710	4,000,000	0	4,000,000
Increase and replacement of naval vessels, construction and machinery (no year)	-543,013,143	-35,484,710	80,000,953	-84,092,539	-39,516,296	-503,496,847	0	0
Increase and replacement of naval vessels, armor, armament, and ammunition (no year)	-275,602,614	-19,871,943	4,131,791	-90,971,897	-106,712,049	-168,890,565	0	0
Total, Navy Department	1,715,750,949	188,464,007	993,072,862	1,002,620,055	2,184,156,924	-468,405,975	90,000,000	119,171,408

² Plus \$132,000,000 of contract authorization.

⁹ Includes dividend declared by Board of Directors on Dec. 14, 1946.

¹⁰ Appropriations of prior fiscal years remain available for use after expiration of the usual time limit by virtue of a special provision in the text of the appropriations.

Forecast of balances in certain appropriation accounts, fiscal year 1947—Continued

Title of account (including years of availability)	Amount available for obligation, fiscal year 1947	Estimated obligations, fiscal year 1947				Balances not required for fiscal year 1947		
		Obligations Nov. 30, 1946	Commitments in process Nov. 30, 1946	Additional obligations required	Total obligations (column 3+4+5)	Total balances (column 2 less 6)	Required in subsequent fiscal years	Available for rescission
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
DEPARTMENT OF STATE								
Foreign Service:								
Foreign Service buildings fund (no year)-----	\$2,366,471	\$273,237	\$200,000	\$735,720	\$1,208,957	\$1,157,514	\$1,157,514	0
International obligations and activities:								
Construction, International Boundary and Water Commission, United States and Mexico (no year)-----	9,476,091	408,859	47,000	9,020,115	9,475,974	117	117	0
Rio Grande emergency flood protection, Department of State (no year)-----	175,000	0	0	175,000	175,000	0	0	0
Cooperation with the American Republics, 1947-48-----	100,000	0	0	75,000	75,000	25,000	25,000	0
Salaries and expenses, Philippine rehabilitation, Department of State, 1947-50-----	47,918,000	0	0	39,814,937	39,814,937	8,103,063	8,103,063	0
Restoration of salmon runs, Fraser River system, International Pacific Salmon Fisheries Commission (no year)-----	283,998	102,405	0	94,155	196,560	87,438	87,438	0
Supplies, materials, etc., Pan American Union (no year)-----	181	0	0	181	181	0	0	0
Total, Department of State-----	60,319,741	784,501	247,000	49,915,108	50,946,609	9,373,132	9,373,132	0
TREASURY DEPARTMENT								
Bureau of Accounts:								
Emergency relief, liquidation fund (no year)-----	1,315,504	9,743	169	20,000	29,912	1,285,592	285,592	\$1,000,000
Government losses in shipment, revolving fund (no year)-----	549,700	28,742	12,067	44,191	85,000	464,700	464,700	0
Bureau of Federal Supply:								
General supply fund, Bureau of Federal Supply (no year)-----	43,500,000	17,192,788	103,151	26,204,061	43,500,000	0	0	0
Strategic and critical materials, Bureau of Federal Supply, act of June 7, 1939, as amended (no year)-----	123,862,640	19,543,291	19,575,339	84,041,370	123,160,000	702,640	702,640	0
Working fund, Treasury, Federal Supply (no year)-----	198,000	6,057	0	191,943	198,000	0	0	0
Working capital fund, duplicating services for war agencies, Procurement Division (no year)-----	1,483,480	0	0	0	0	1,483,480	0	1,483,480
Coast Guard:								
Acquisition of vessels and shore facilities, Coast Guard (no year)-----	4,040,518	-7,496,591	182,909	1,730,134	-5,583,548	9,624,066	0	9,624,066
Emergency construction, vessels and shore facilities, Coast Guard (no year)-----	172,322	-13,243	1,340	0	-11,903	184,225	0	184,225
Establishing and improving aids to navigation, Coast Guard (no year)-----	3,895,976	119,523	1,267,496	2,449,678	3,836,697	59,279	0	59,279
Special projects, aids to navigation, Coast Guard (no year)-----	393,620	99,868	93,877	163,769	357,514	36,106	0	36,106
Special projects, vessels, Coast Guard (no year)-----	15,708	-21,762	0	0	-21,762	37,470	0	37,470

Special projects, aids to navigation, Lighthouse Service, Coast Guard (no year)-----	3, 291	-646	0	0	-646	3, 937	0	3, 937
Coast Guard supply account fund (no year)-----	1, 453, 128	524, 835	0	734, 769	1, 259, 604	193, 524	193, 524	0
Working fund, Treasury, Coast Guard (no year)-----	1, 116, 720	416, 258	106, 160	594, 302	1, 116, 720	0	0	0
Total, Treasury Department-----	182, 000, 907	30, 408, 863	21, 342, 508	116, 174, 217	167, 925, 588	14, 075, 019	1, 646, 456	12, 428, 563
WAR DEPARTMENT								
Military activities:								
Working fund, War, Office of the Secretary (no year)-----	17, 076	10, 040	0	7, 036	17, 076	0	0	0
Working fund, War, Office of the Secretary, 1947-49-----	448, 122	14, 116	0	434, 086	448, 122	0	0	0
Working fund, War, Office of the Secretary, 1946-48-----	2, 376	0	0	0	0	2, 376	2, 376	0
Working fund, War, Finance, 1946-48-----	463, 524	0	0	100, 000	100, 000	363, 524	363, 524	0
Expenses and losses financing war contracts, Executive Order 9112, W. D. (no year)-----	25, 993, 340	33, 974	0	2, 966, 026	3, 000, 000	22, 993, 340	7, 993, 340	15, 000, 000
Sales of surplus property, foreign areas clearing account, Army (no year)-----	184, 045, 144	52, 830, 604	0	131, 214, 540	184, 045, 144	0	0	0
Working fund, War, Quartermaster Corps (no year)-----	2, 329, 955	0	0	0	0	2, 329, 955	2, 329, 955	0
Working fund, War, Quartermaster Corps, 1947-49-----	1, 000, 000	286, 189	0	713, 811	1, 000, 000	0	0	0
Working fund, War, Quartermaster Corps, 1946-48-----	130, 753	0	0	0	0	130, 753	130, 753	0
Replacing Quartermaster Service, Army, 1947-48-----	173, 743, 773	0	0	163, 906, 044	163, 906, 044	9, 837, 729	9, 837, 729	0
Working fund, War, Signal Corps (no year)-----	400, 000	400, 000	0	0	400, 000	0	0	0
Replacing Signal Corps supplies and equipment, 1947-48-----	1, 418, 177	0	0	1, 000, 000	1, 000, 000	418, 177	418, 177	0
Working fund, War, Air Corps, 1947-49-----	36, 810, 000	903, 445	0	35, 906, 555	36, 810, 000	0	0	0
Working fund, War, Air Corps, 1946-48-----	35, 560, 000	2, 834, 166	927, 461	23, 371, 851	27, 133, 478	8, 426, 522	8, 426, 522	0
Working fund, War, Air Corps, 1947-48-----	1, 006, 169	0	0	0	0	1, 006, 169	1, 006, 169	0
Working fund, War, Air Corps, special fund, 1946-48-----	59, 596	4, 870	59, 596	0	64, 466	527, 004	527, 004	0
Replacing medical supplies, 1947-48-----	5, 246, 995	0	0	5, 246, 995	5, 246, 995	0	0	0
Acquisition of land, West Point (no year)-----	44, 614	0	0	0	0	44, 614	44, 614	0
Acquisition of land, San Bernardino, Kern, and Los Angeles Counties, Calif. (no year)-----	4, 300	0	0	0	0	0	0	4, 300
Acquisition of land, Panama, Army (no year)-----	1	0	0	0	0	1	1	1
Acquisition of land, Buchanan, Puerto Rico (no year)-----	1	0	0	0	0	1	1	1
Acquisition of land, Act of June 20, 1940 (no year)-----	204	0	0	0	0	204	204	204
Sites for military purposes (no year)-----	484	0	0	0	0	484	484	484
Construction of buildings, utilities and appurtenances, military posts (no year)-----	17, 643, 050	75, 981	0	0	75, 981	17, 567, 069	0	17, 567, 069
Buildings for United States representatives, Philippine Islands (no year)-----	1	0	0	0	0	1	1	1
Emergency fund for the President, national defense housing, allotment to War (no year)-----	183, 351	0	0	0	0	183, 351	0	183, 351
Community facilities, defense public works, Office of Administrator, Federal Works Agency (transfer to War) (no year)-----	271, 495	49, 640	0	0	49, 640	221, 855	0	221, 855
Working fund, War, Engineers (no year)-----	3, 717, 299	504, 932	0	1, 236, 254	1, 741, 186	1, 976, 113	1, 976, 113	0
Working fund, War, Engineers, 1946-48-----	346, 864	0	0	346, 864	346, 864	0	0	0
National defense housing, War, maintenance, etc. (no year)-----	844, 359	0	0	0	0	844, 359	844, 359	844, 359
Emergency fund for the President, defense housing, temporary shelter, War, Federal Public Housing Authority, National Housing Authority, maintenance (no year)-----	9, 420	0	0	0	0	9, 420	0	9, 420
Replacing Engineer Service, 1947-48-----	1, 598, 664	0	0	1, 598, 664	1, 598, 664	0	0	0
National defense housing, War, Office of Administrator, Federal Works Agency, maintenance, etc. (no year)-----	497, 275	0	0	0	0	497, 275	497, 275	497, 275

Forecast of balances in certain appropriation accounts, fiscal year 1947—Continued

Title of account (including years of availability)	Amount available for obligation, fiscal year 1947	Estimated obligations, fiscal year 1947				Balances not required for fiscal year 1947		
		Obligations as of Nov. 30, 1946	Commitments in process Nov. 30, 1946	Additional obligations required	Total obligations (column 3+4+5)	Total balances (column 2 less 6)	Required in subsequent fiscal years	Available for rescission
(1)	(2)	(3)	(4)	(5)	(6)	(7)	(8)	(9)
WAR DEPARTMENT—continued								
Military activities—Continued								
Working fund, War, Ordnance (no year)	\$33,157,400	\$33,157,400	0	0	\$33,157,400	0	0	0
Working fund, War, Ordnance, 1947-49	8,000,000	1,190,959	3,843,080	\$2,965,961	8,000,000	0	0	0
Working fund, War, Ordnance, 1946-48	4,760,005	4,709,584	36,738	13,683	4,760,005	0	0	0
Repair of arsenals, emergency construction (no year)	1	0	0	0	0	1	0	1
Replacing ordnance and ordnance stores, 1947-48	2,000,000	0	0	2,000,000	2,000,000	0	0	0
Working fund, War, Chemical Corps, 1947-49	138,742	50,185	0	88,557	138,742	0	0	0
Working fund, War, Chemical Corps, 1946-48	5,160,253	5,034,000	0	126,253	5,160,253	0	0	0
Seacoast defenses, general (no year)	357,292	226,673	0	0	226,673	\$130,619	0	\$130,619
Seacoast defenses (no year)	217,067	110,599	0	0	110,599	106,468	0	106,468
Seacoast defenses, Panama Canal (no year)	642,905	0	0	0	0	642,905	0	642,905
Working fund, War, miscellaneous military, 1947-49	490,000	0	0	490,000	490,000	0	0	0
Civil functions:								
Corps of Engineers:								
Maintenance and improvement of existing river and harbor works (no year)	142,231,740	34,692,102	3,000,000	104,539,638	142,231,740	0	0	0
Alteration of bridges over navigable waters of the United States (no year)	3,677,605	0	325,626	3,341,979	3,667,605	0	0	0
Power plant, Fort Peck Dam, Mont. (construction) (no year)	2,001,153	1,583,090	0	418,063	2,001,153	0	0	0
Power plant, Bonneville Dam, Columbia River, Oreg. (construction) (no year)	590,353	54,659	0	535,694	590,353	0	0	0
Flood control, general (no year)	201,241,847	58,056,002	4,000,000	109,185,845	171,241,847	30,000,000	\$30,000,000	0
Flood control, general (emergency fund) (no year)	1,912,733	665,697	0	0	665,697	1,247,036	1,247,036	0
Flood control, Mississippi River and tributaries (no year)	65,325,104	16,885,399	3,000,000	45,439,705	65,325,104	0	0	0
Emergency fund for flood control on tributaries of Mississippi River (no year)	1,020,809	150,717	100,000	270,092	520,809	500,000	500,000	0
Flood control, Sacramento River, Calif. (no year)	2,438,858	736,529	500,000	1,202,329	2,438,858	0	0	0
Flood control, Kings River and Tulare Lake, Calif. (no year)	1,000,000	0	0	250,000	250,000	750,000	750,000	0
Flood control, Sutton Reservoir, W. Va. (no year)	750,000	0	0	250,000	250,000	500,000	500,000	0
Payments to States, Flood Control Act of June 28, 1938, as amended (no year)	215,000	89,580	0	125,420	215,000	0	0	0
Maintenance and operation of dams and other improvements to navigable waters (no year)	455,820	0	0	455,820	455,820	0	0	0

Hospital and domiciliary facilities, Veterans' Administration (transfer to War) (no year)	19,233,007	0	122,353,271	141,586,278	0	0	0
Improvement of Washington Channel, D. C. (transfer to War) (no year)	11,048	0	44,516	55,564	0	0	0
Working fund, War, Engineers, civil (no year)	2,201,907	0	7,870,898	10,072,805	0	0	0
Working fund, War, Engineers, civil, 1946-48	294,425	0	63,956	358,381	0	0	0
Working fund, War, Engineers, civil, 1947-49	0	0	1,480	1,600	0	0	0
Working fund, War, Engineers, civil, 1947-50	3,157,394	36,842,606	0	40,000,000	0	0	0
Quartermaster Corps: Cemetery expenses, War Department (no year)	36,556,360	0	55,943,640	92,500,000	0	0	0
Signal Corps: Alaska Communication System, 1947-48	318,643	31,125	436,232	786,000	-43,000	0	0
Relief of the Philippine Islands, War Department (no year)	0	0	5,000,000	5,000,000	0	0	0
The Panama Canal:							
Maintenance and operation, Panama Canal (no year)	21,835,700	0	35,947,091	57,782,791	1,170,030	1,170,030	0
Civil government, Panama Canal and Canal Zone (no year)	1,245,892	0	1,967,793	3,213,685	-357,000	0	0
Sanitation, Canal Zone, Panama Canal (no year)	2,118,984	0	3,341,426	5,460,410	-1,126,000	0	0
Repatriation of unemployed aliens, Panama Canal (no year)	2,515	0	22,485	25,000	30,379	30,379	0
Memorial to Maj. Gen. George W. Goethals (no year)	156,509	0	0	0	156,509	156,509	0
Construction, additional facilities, Panama Canal (no year)	1,467,853	0	1,788,129	3,255,982	1,022,900	1,022,900	0
Postal funds, Canal Zone (no year)	356,124	0	525,716	881,840	98,842	98,842	0
Working fund, Panama Canal (transfer from War Department)	59,484	0	77,016	136,500	0	0	0
Special deposit accounts (no year)	4,024,314	0	3,104,311	7,128,625	1,843,828	1,843,828	0
Total, War Department, including the Panama Canal	307,321,337	53,569,677	878,235,765	1,239,126,779	104,058,113	70,331,186	35,252,927
Grand total	5,764,059,495	1,215,192,659	9,128,860,253	16,108,112,407	-1,004,687,418	1,447,060,626	565,472,591

" Includes net transfers to be received, reimbursements, and other receipts.

SUPPLEMENTAL ESTIMATE OF APPROPRIATION FOR
THE OFFICE OF DEFENSE TRANSPORTATION

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

SUPPLEMENTAL ESTIMATE OF APPROPRIATION FOR THE FISCAL
YEAR 1947 IN THE AMOUNT OF \$143,000, FOR THE OFFICE OF
DEFENSE TRANSPORTATION

JANUARY 27, 1947.—Referred to the Committee on Appropriations and ordered to
be printed

THE WHITE HOUSE,
Washington, January 24, 1947.

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of Congress a supplemental estimate of appropriation for the fiscal year 1947 in the amount of \$143,000, for the Office of Defense Transportation.

The details of this estimate, the necessity therefor, and the reasons for its submission at this time are set forth in the letter of the Director of the Bureau of the Budget, transmitted herewith, in whose comments and observations thereon I concur.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington, D. C., January 23, 1947.

The PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration a supplemental estimate of appropriation for the fiscal year 1947 in

2 SUPPLEMENTAL ESTIMATE—OFFICE DEFENSE TRANSPORTATION

the amount of \$143,000, for the Office of Defense Transportation, as follows:

OFFICE OF DEFENSE TRANSPORTATION

Salaries and expenses: For an additional amount, fiscal year 1947, for
"Salaries and expenses" ----- \$143, 000

The 1947 appropriation for the Office of Defense Transportation contemplated the termination of the agency by April 30, 1947, with an earlier staff reduction scheduled for January 1, 1947. Additional funds are required to enable the Office of Defense Transportation to continue operations at the same level as during the first half of the fiscal year, because of the continued serious railroad freight car shortage. Present plans contemplate the maintenance of the existing staff to April 30, 1947, after which a small staff will continue to the close of the fiscal year to perform necessary car service operations.

The foregoing supplemental estimate of appropriation is required to meet contingencies which have arisen since transmission of the Budget for the fiscal year 1947. I recommend that it be transmitted to the Congress.

Respectfully yours,

JAMES E. WEBB,
Director of the Bureau of the Budget.

○

SUPPLEMENTAL ESTIMATE OF APPROPRIATION FOR THE
TREASURY DEPARTMENT

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

SUPPLEMENTAL ESTIMATE OF APPROPRIATION FOR THE TREASURY DEPARTMENT FOR THE FISCAL YEAR 1947, AMOUNTING TO \$3,520,100

JANUARY 27, 1947.—Referred to the Committee on Appropriations and ordered to be printed

THE WHITE HOUSE,
Washington, January 24, 1947.

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of Congress a supplemental estimate of appropriation for the Treasury Department for the fiscal year 1947, amounting to \$3,520,100.

The details of this estimate, the necessity therefor, and the reasons for its submission at this time are set forth in the letter of the Director of the Bureau of the Budget, transmitted herewith, in whose comments and observations thereon I concur.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
Bureau of the Budget,
Washington 25, D. C., January 23, 1947.

THE PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration a supplemental estimate of appropriation for the fiscal year 1947 in the amount of \$3,520,100 for the Treasury Department, as follows:

FISCAL SERVICE

BUREAU OF ACCOUNTS

Division of Disbursement, salaries and expenses: For an additional amount, fiscal year 1947, for "Division of Disbursement, salaries and expenses"— \$3, 520, 100

Funds available for the fiscal year 1947 were appropriated on the basis of work load submitted early in the fiscal year 1946 and provided for 111,247,900 items. Based on the number of checks issued this year to date, on the estimated number of income-tax refunds, and on the fact that the trend is still upward for veterans and social security payments, it has been necessary to revise this estimate upward to approximately 159,000,000 items.

The foregoing estimate is required to meet contingencies which have arisen since the transmission of the Budget for the fiscal year 1947. I recommend that it be transmitted to the Congress.

Respectfully yours,

JAMES E. WEBB,
Director of the Bureau of the Budget.

○

SUPPLEMENTAL ESTIMATES OF APPROPRIATION FOR
THE VETERANS' ADMINISTRATION

COMMUNICATION

FROM

THE PRESIDENT OF THE UNITED STATES

TRANSMITTING

SUPPLEMENTAL ESTIMATES OF APPROPRIATION FOR THE
FISCAL YEAR 1947 IN THE AMOUNT OF \$2,169,114,500 FOR THE
VETERANS' ADMINISTRATION

FEBRUARY 3, 1947.—Referred to the Committee on Appropriations and ordered
to be printed

THE WHITE HOUSE,
Washington, January 30, 1947.

THE SPEAKER OF THE HOUSE OF REPRESENTATIVES.

SIR: I have the honor to transmit herewith for the consideration of Congress supplemental estimates of appropriation for the fiscal year 1947 in the amount of \$2,169,114,500 for the Veterans' Administration.

The details of these estimates, the necessity therefor, and the reasons for their submission at this time are set forth in the letter of the Director of the Bureau of the Budget, transmitted herewith, in whose comments and observations thereon I concur.

Respectfully yours,

HARRY S. TRUMAN.

EXECUTIVE OFFICE OF THE PRESIDENT,
BUREAU OF THE BUDGET,
Washington 25, D. C., January 30, 1947.

THE PRESIDENT,
The White House.

SIR: I have the honor to submit herewith for your consideration supplemental estimates of appropriation for the fiscal year 1947 in the amount of \$2,169,114,500 for the Veterans' Administration, as follows:

VETERANS' ADMINISTRATION

Administration, medical, hospital, and domiciliary services: For an additional amount, fiscal year 1947, for "Administration, medical, hospital, and domiciliary services," \$307,258,000: *Provided*, That the amount available for the purchase of newspapers and periodicals other than legal newspapers, is increased to \$3,500; the amount available to repair, alter, improve, or provide facilities in the several hospitals and homes under the jurisdiction of the Veterans' Administration is increased to \$7,260,000; and the limitation on travel expenses imposed by section 105 of the Independent Offices Appropriation Act, 1947, is increased to \$13,019,000 ----- \$307, 258, 000

The additional amount is necessary for increased administrative expenses, and for increased benefits to veterans, especially for medical and hospital care, necessitated by the demobilization of the armed services at a greatly increased rate over that contemplated at the time of submission of the 1947 Budget.

Printing and binding: For an additional amount, fiscal year 1947, for "Printing and binding" ----- \$6, 000, 000

The additional amount is required to meet the increase in usage of various application forms, leaflets explaining the operation of the laws, and other material needed to service the large number of veterans.

Pensions: For an additional amount, fiscal year 1947, for "Pensions," \$441,665,000, to remain available until expended ----- \$441, 665, 000

The additional amount is required because of a somewhat higher number of veterans and their dependents on the rolls, and because of legislation enacted by the Seventy-ninth Congress subsequent to the submission of the 1947 Budget.

Readjustment benefits: For an additional amount, fiscal year 1947, for "Readjustment benefits," \$873,836,000, to remain available until expended ----- \$873, 836, 000

The additional amount is required because of greatly increased demand by veterans for the available benefits over that contemplated at the time of the enactment of the Third Deficiency Appropriation Act, 1946 (Public Law 521, 79th Cong., approved July 23, 1946).

Military and naval insurance: For an additional amount, fiscal year 1947, for "Military and naval insurance," \$4,125,500, to remain available until expended ----- \$4, 125, 500

The additional amount is required to cover transfers to the United States Government Life Insurance Trust Fund for costs due to war hazards in excess of those contemplated at the time of submission of the 1947 Budget.

National service life insurance: For an additional amount, fiscal year 1947, for "National service life insurance," \$535,710,000, to remain available until expended ----- \$535, 710, 000

The additional amount is required partly to cover transfers to the national service life insurance trust fund for costs due to war hazards in excess of those contemplated at the time of enactment of the Third Urgent Deficiency Appropriation Act, 1946 (Public Law 419, 79th Cong., approved June 21, 1946), and partly to cover the revaluation

of previous transfers, as authorized by section 11 of the Insurance Act of 1946 (Public Law 589, 79th Cong., approved August 1, 1946).

Vocational rehabilitation revolving fund: To increase the "Vocational rehabilitation revolving fund (Act of March 24, 1943)," created by the Urgent Deficiency Appropriation Act, 1943----- \$500,000

The additional amount is required to make loans to disabled veterans in training under the provisions of Public Law 16, Seventy-eighth Congress. The increase in the number of veterans in training since the enactment of the Second Urgent Deficiency Appropriation Act, 1946 (Public Law 335, 79th Cong., approved March 28, 1946) has made the present amount of the fund (\$1,500,000) inadequate.

Claims under the Federal Tort Claims Act: For the payment of claims pursuant to part 2 of the Federal Tort Claims Act, fiscal year 1947-- \$20,000

The amount is required in accordance with the procedures established by title IV of the Legislative Reorganization Act of 1946 (Public Law 601, 79th Cong., approved August 2, 1946).

The foregoing supplemental estimates were made necessary by reason of contingencies which have arisen since the transmission of the Budget for the fiscal year 1947. I recommend that they be transmitted to the Congress.

Respectfully yours,

JAMES E. WEBB,
Director of the Bureau of the Budget.

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777.7/68
HOUSE REPORTS ON URGENT
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BILL FOR 1947 (H. R. 1968):

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URGENT DEFICIENCY APPROPRIATION BILL FOR 1947

HEARINGS

BEFORE THE

SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS HOUSE OF REPRESENTATIVES

EIGHTIETH CONGRESS
FIRST SESSION

ON THE

URGENT DEFICIENCY APPROPRIATION BILL FOR 1947

Printed for the use of the Committee on Appropriations



UNITED STATES
GOVERNMENT PRINTING OFFICE
WASHINGTON : 1947

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URGENT DEFICIENCY APPROPRIATION BILL, 1947

HEARINGS CONDUCTED BY THE SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS, HOUSE OF REPRESENTATIVES, IN CHARGE OF DEFICIENCY APPROPRIATIONS, MESSRS. JOHN TABER (CHAIRMAN), RICHARD B. WIGGLESWORTH, ALBERT J. ENGEL, CARL STEFAN, FRANCIS CASE, FRANK B. KEEFE, CLARENCE CANNON, JOHN H. KERR, AND GEORGE H. MAHON, ON THE DAYS FOLLOWING, NAMELY:

MONDAY, FEBRUARY 3, 1947.

OFFICE OF TEMPORARY CONTROLS

STATEMENTS OF MAJ. GEN. PHILIP B. FLEMING, TEMPORARY CONTROLS ADMINISTRATOR; JAMES W. FOLLIN, ASSISTANT ADMINISTRATOR; ERNEST E. HALL, EXECUTIVE OFFICER; AND D. E. A. CAMERON, BUDGET OFFICER

The CHAIRMAN. We have a recommendation from the President, contained in House Document No. 55, for the rescission of \$1,200,000 from the current appropriation for the Office of Temporary Controls. It is noted that the entire amount will be from the funds available for salaries and expenses of the Civilian Production Administration.

General Fleming, there was appropriated for the Office of Price Administration \$101,000,000. Your expenditures to the 30th of November 1946 were \$56,971,636. That leaves a balance of \$44,029,000.

The appropriation for the Civilian Production Administration was \$18,000,000 and your expenditures listed to the 30th of November were \$7,509,911, leaving a balance of \$10,490,089. The War Mobilization Office had an appropriation of \$695,863 and their expenditures down to the 30th of November were \$386,569, leaving a balance of \$289,274. Are there any other functions that you took over?

General FLEMING. I took over part of the Office of Economic Stabilization.

The CHAIRMAN. What the picture was on the part of the Office of Economic Stabilization I would not know, as I do not have that in front of me. But we will get to that as we go along.

General FLEMING. Mr. Chairman, I wonder if I might make a preliminary statement on the whole Office of Temporary Controls and then take up the various constituent units one by one, in order? As you know, I have only been in this Office for a little over 6 weeks and, during the last week, I have been out of town on account of the death of my mother. So I am not familiar with all of the details of the various organizations. If I could make a statement for the entire Office, which would only take a few minutes, and let the commissioners

of the various units come up and answer individual questions you have, it would be much simpler for me, and I think, maybe, for the committee as a whole. I have a statement here which will just take me a few moments on the whole Office, and this morning is to be devoted, I understand, to the Office of Temporary Controls, not only OPA, but CPA and Office of War Mobilization and Reconversion.

The CHAIRMAN. That is right.

General FLEMING. Would I be permitted to make such a statement?

The CHAIRMAN. Yes.

GENERAL STATEMENT

General FLEMING. Many members of the Appropriations Committee have become accustomed to my appearances before it in my principal role of Federal Works Administrator. Today, however, I am appearing before this subcommittee for the first time in the additional capacity of Temporary Controls Administrator.

In brief, the Office of Temporary Controls was created by the President by Executive Order 9809 on December 12, 1946, and I was appointed by the President as Temporary Controls Administrator in addition to being Federal Works Administrator and without any additional compensation from the Government.

The Office of Temporary Controls is a consolidation of a few remaining functions which have a common objective of aiding certain post-war reconversion processes. This agency, as the name clearly shows, is definitely a temporary one, the purpose of which is to provide administration over the liquidation of the functions consolidated into it in a rapid and orderly manner, consistent with the requirements of laws and orders for carrying out continuing responsibilities of some few remaining functions, but only for so long as they are or may continue to be authorized to serve their purposes.

The agencies consolidated into the Office of Temporary Controls are: the Office of War Mobilization and Reconversion with which the few remaining functions of the Office of Economic Stabilization have been merged; the Office of Price Administration; and the Civilian Production Administration. However, those of the committee who have in former years considered the appropriations for these agencies will hardly recognize them in their present status. Before the consolidation was effected, the great majority of the activities of these agencies had been terminated and some few activities were transferred to other Federal agencies in the order creating the Office of Temporary Controls.

The question of how much longer the presently curtailed functions of control, rationing, and priorities and their corollary activities are to be continued is largely a matter for the present Congress to decide and authorize. On January 31, 1947, the President sent to the Congress a message dealing with the continuation of certain authorities under the Second War Powers Act, several of which bear directly on the continuation of specific functions of the Office of Temporary Controls. The future work load of control activities of this agency is largely dependent upon which controls are extended and for how long they are extended or continue to be necessary, whichever may prove to be the shorter.

Regardless of specific extensions of certain provisions of the War Powers Act, it is expected that the consolidation will result in econ-

omies in operation as well as a more rapid liquidation of personnel, property, records, and other matters that from time to time are found no longer necessary for these temporary programs.

Progress has already been made toward these objectives during the brief 7 weeks since the President's order was issued. Orders for the liquidation of the Civilian Production Administration were issued on January 21 and for the Office of War Mobilization and Reconversion on January 31. Arrangements have been made to bring together immediately the Washington offices of the three constituent agencies in temporary structures at the foot of Seventeenth Street NW. The first units are being moved this week. As a result, many common administrative functions will be consolidated with increased efficiency and economies. Administrative supervision is bound to become more effective, as has already been found to be the case when the constituents of the Federal Works Agency were brought together in a single building.

Today, this committee is making particular inquiry into the status of funds appropriated to each of the constituents of the Office of Temporary Controls with the objective of disclosing any portions of those funds which may be no longer necessary to meet the expense of the continuing temporary programs and the costs liquidation and thus may be susceptible to immediate rescission. Any justification of the amounts necessary, or balances no longer necessary, must be predicated on the work-load factors of what controls and corollary activities are to be maintained and for how long are they to be maintained. Answers to both of these questions involve the decision of the Congress in respect to extension of certain provisions of the Second War Powers Act and until those answers are given it cannot be stated with certainty what amounts may be available for rescission or what additional amounts may become necessary to carry out such continuation of programs as may be involved.

The rescission estimate before you shows the need of a supplemental appropriation of 6.5 million for OPA. By further study of the use of sugar currency, the estimate has been reduced to 5,950,000 necessary for the balance of this fiscal year.

The rescission estimate of 1.2 for CPA was made on December 20 and was predicated on the discontinuance of allocation controls. I have instructed the Commissioner of CPA to undertake such economies as will permit the rescission of the full 1.2 even though there will be more work on June 30 than anticipated.

The Commissioner of OWMR has further reviewed his estimate and has advised me that they can rescind \$30,000 of funds appropriated to OES and \$16,000 of funds appropriated for Wage Plans which were not anticipated at the time the estimates were submitted.

I have with me today the Commissioners of each of the three constituent units of the Office of Temporary Controls who will discuss with you any of the details of continuing and liquidating activities of their respective units.

These men are here and, if you want to have OPA first, I will ask Mr. McCullough to come up.

The CHAIRMAN. Very well. Does anyone care to ask the general any questions?

DATE OF CREATION OF OFFICE OF TEMPORARY CONTROLS

Mr. ENGEL. Just one or two. What was the date of the order of the President discontinuing these controls in November; do you recall?

General FLEMING. No, sir. He created the Office of Temporary Controls on the 12th of December and I have here the Executive order creating that.

Mr. ENGEL. On the 12th of December he created the Office of Temporary Controls and then transferred these others to this one Office?

General FLEMING. That is correct, sir.

Mr. ENGEL. What is the date of the order in which he discontinued rationing?

Mr. McCULLOUGH. That was the order discontinuing price controls on November 10.

The CHAIRMAN. Are there any further questions?

Mr. STEFAN. What is that agency—OWMR?

General FLEMING. That is the Office of War Mobilization and Reconversion. That was created by the George bill.

EFFECT OF EXTENSION OF CERTAIN POWERS UNDER SECOND WAR POWERS ACT UPON REQUIREMENTS OF OFFICE OF TEMPORARY CONTROLS

Mr. CASE. General Fleming, I did not catch exactly what balances and rescission possibilities you say hung upon the decision of Congress with respect to the extension of the Second War Powers Act. Will you repeat that sentence?

General FLEMING. The President sent up a message just a few days ago, on Saturday, I think, requesting an extension of certain powers under the Second War Powers Act, title I, title V, and certain of the authorities granted him under title III. It is the sections under title III that affect the Office of Temporary Controls. He said if the Congress approves the extension of those as he has asked for them, or even parts of what he has asked for, we will have a different picture here.

Mr. CASE. I want to relate that to what you are saying about OPA, CPA, and OWMR. Does it affect all of them?

General FLEMING. It will affect all of them to a certain extent; yes, sir.

The CHAIRMAN. We might just as well get down to the business we have on hand. You said Mr. McCullough was going to speak for OPA?

General FLEMING. Yes, sir. Mr. McCullough was a deputy over there and is now Commissioner of OPA. He was Deputy Administrator and is familiar with the whole picture.

OFFICE OF PRICE ADMINISTRATION

STATEMENTS OF MAX McCULLOUGH, COMMISSIONER OF PRICE ADMINISTRATION; WILLIAM E. REMY, DEPUTY COMMISSIONER FOR ENFORCEMENT; IVAN D. CARSON, DEPUTY COMMISSIONER FOR RENT; GEORGE A. DICE, DEPUTY COMMISSIONER FOR SUGAR; PAUL M. GREEN, DEPUTY COMMISSIONER FOR ACCOUNTING; CARL AUERBACH, GENERAL COUNSEL; AND H. V. LLEWELLYN, DIRECTOR OF BUDGET AND PLANNING

NUMBER OF PERSONNEL

The CHAIRMAN. The last report I had was that you had 15,500 employees as of the 31st of December. How many people do you have on the OPA roll now, Mr. McCullough?

Mr. McCULLOUGH. Our estimate for the 1st of February is 14,419. We will know within a few days just what the exact number is.

The CHAIRMAN. You only got rid of less than 100 in the last month; is that right?

Mr. McCULLOUGH. I believe it is around 1,000, sir.

The CHAIRMAN. They gave me the figure of 15,500 as of December 31.

Mr. McCULLOUGH. Yes; and for February 1 it is 14,419, which would be about 1,000.

The CHAIRMAN. Oh, yes.

OPA ACTIVITIES

Now, I was supplied with a list of the employees drawing \$4,288 plus, pursuant to my request to General Fleming, and that represents 917 in the Washington office. That is what you show on this table you gave us. Now, what activities do you have on hand right now?

Mr. McCULLOUGH. Our major activities are control of rents, rationing of sugar, price control on sugar, rice, and certain sirups. Those are the operating programs. Then we have, by delegation from the Housing Expediter, a program of sales control on houses constructed under the veterans' emergency war housing program.

CONTROL OF SALES OF HOUSES UNDER VETERANS' HOUSING PROGRAM

The CHAIRMAN. What do you do about that?

Mr. McCULLOUGH. We do two things. Through our area rent offices, which are located in some 650 localities in the country, we receive sales reports of the houses that are completed and sold and verify those sales prices with the veterans who bought those homes. And, in the event of overcharges, we seek to have the overcharge refunded to the purchaser.

The CHAIRMAN. You mean overcharges from the National Housing Agency sales?

Mr. McCULLOUGH. Overcharges by private contractors, private builders, to veterans who are entitled to buy under the veterans' emergency housing program.

General FLEMING. I think you understand, Mr. Taber, that the Housing Expediter under the Patman Act was given certain authorities but was given no appropriation to enforce those authorities. He was authorized to call on other agencies of the Government to do that work for him, and he has delegated that work to us.

The CHAIRMAN. I was trying to find out what it was, and I thought Mr. McCullough was trying to answer it. We understand that; I was just trying to get the story of what it was.

Mr. McCULLOUGH. That is our first activity with respect to sales of those houses.

The CHAIRMAN. You mean these are houses that are built by private contractors?

Mr. McCULLOUGH. Yes, sir; contractors who have built with priorities assistance, either under priorities regulation 33 or the housing expeditier priority regulation 5.

The CHAIRMAN. What other activities do you have?

ENFORCEMENT CASES ON DECONTROLLED COMMODITIES

Mr. McCULLOUGH. Those are the operating programs. Then we have litigation and enforcement actions with respect to some important cases on decontrolled commodities.

The CHAIRMAN. How many actions?

Mr. McCULLOUGH. At the time of decontrol of most prices, we had something in excess of 24,000 cases pending in all parts of the country. At that time we ceased immediately to institute any new investigations and began a review of those cases which had already been investigated and which were in process of action at some stage along the line.

The CHAIRMAN. And how many were there?

Mr. McCULLOUGH. Something in excess of 24,000 at that time.

The CHAIRMAN. How many are there now?

Mr. McCULLOUGH. I believe that number has been reduced to something around 17,000. Is that right, Mr. Remy?

Mr. REMY. That is substantially correct.

The CHAIRMAN. What are those, insofar as their importance goes? Are the most of them small cases, or are the most of them big cases?

Mr. McCULLOUGH. The way in which we have reduced these cases primarily is to throw out those cases that were inconsequential—those which might have had some significance under a continuing price control because of the deterrent effect that the enforcement action would have had, but which, without price control, do not seem worth carrying through. So the remaining cases are the more important cases of overcharges, black-market dealings, violation of injunctions, and the like.

OPA EMPLOYMENT, BY ACTIVITY

The CHAIRMAN. How many people do you have in your national office on the rent picture?

Mr. McCULLOUGH. I believe we have about 130.

The CHAIRMAN. And how many do you have in the field?

Mr. McCULLOUGH. Our estimate of employment for the 1st of February was 6,654 in the field.

The CHAIRMAN. And how many do you have on rationing in the national office?

Mr. McCULLOUGH. We have 134.

Mr. CANNON. What was the first number you gave awhile ago on?

Mr. McCULLOUGH. That was on rent. I believe I would like to correct that figure to 120.

The CHAIRMAN. In the Washington office?

Mr. McCULLOUGH. That is correct.

The CHAIRMAN. On rent?

Mr. McCULLOUGH. Yes, sir.

The CHAIRMAN. And your figure on the field is correct—6,654.

Mr. McCULLOUGH. In the field, 6,654.

The CHAIRMAN. Now, on rationing, how many do you have there?

Mr. McCULLOUGH. In the national office, 134; and in the field, 2,018.

The CHAIRMAN. And how many do you have on this other activity you talked about? You said you had price control on sugar and rice.

Mr. McCULLOUGH. That figure on rationing includes the price-control activities with respect to those commodities. Those are very small matters.

The CHAIRMAN. Now, on this housing job, how many do you have in the Washington office on that?

Mr. McCULLOUGH. On the 1st of February we had 385.

The CHAIRMAN. How many have you, as of February 1, in the Washington office and how many in the field?

Mr. LLEWELLYN. If I may answer that, we do not have an identifiable staff in the national office devoted to sales-control work. That is combined with the rent-control work.

The CHAIRMAN. That is included in the rent set-up?

Mr. LLEWELLYN. Yes, sir.

The CHAIRMAN. And it is also included in the field?

Mr. LLEWELLYN. In the field, we have about 416 now employed.

The CHAIRMAN. Separate from this 6,500 figure you gave us?

Mr. LLEWELLYN. No; that is included in the field activity figures for rent and enforcement.

The CHAIRMAN. Now, in connection with this litigation activity that you have, what is the set-up involved in that?

Mr. McCULLOUGH. We have our figures for the whole enforcement activity which I would like to give you, and then give you those employment figures separately relating to the review and disposition of those old cases that I mentioned.

In the national office, in the enforcement activity, we have 129 people; and in the field, 2,574.

The CHAIRMAN. Those figures include the whole business?

Mr. McCULLOUGH. Yes; they do.

The CHAIRMAN. Including what you have working on these cases?

Mr. McCULLOUGH. Yes, sir. With respect to handling the decontrol activities, we have 16 people in the national office assigned to that.

The CHAIRMAN. And how many in the field?

Mr. McCULLOUGH. Two hundred and eighty-five.

Mr. LLEWELLYN. The latter figure of 285 are investigators working on that program at the present time. We do not make a distinct distribution of attorney time.

The CHAIRMAN. What do these 285 people do?

Mr. McCULLOUGH. Those are investigators who are completing investigations with respect to cases that were begun before decontrol

where we are carrying forward investigations in those fields. It is only on the major cases that were under way at the time of decontrol.

The CHAIRMAN. Does this include all of your present activities?

Mr. McCULLOUGH. No, sir; it does not. I should like to give you the others.

The CHAIRMAN. What are the other activities?

Mr. McCULLOUGH. In OPA, as you may recall, we have never assigned to each of the operating programs the staff to provide the facilitating services such as accounting, or supervision, and executive activities and administrative activities. I will be glad to give you those figures separately for the operating programs.

The CHAIRMAN. This is the whole staff set-up?

Mr. McCULLOUGH. Those are what I would term the "facilitating services," which serve all—

The CHAIRMAN. What do you mean by "facilitating services"?

Mr. McCULLOUGH. The accounting activity, for example, serves the rent and rationing programs as well as the enforcement program, making such accounting studies as are necessary for any of those activities. The personnel, budget and fiscal, and office services staffs likewise serve all of those programs.

The CHAIRMAN. What is your set-up there?

Mr. McCULLOUGH. In accounting, we have in the national office 168 and, in the field, 346. In the executive activity, we have 208 in the national office and 90 in the field.

The CHAIRMAN. What else do you have?

Mr. McCULLOUGH. We have a public records and economic data analysis office.

The CHAIRMAN. What is that—a historical function?

Mr. McCULLOUGH. Well, we do not have what I think would be termed a historical activity. We are attempting, with the people who know most about those programs that were important during the war, to analyze the actions the agency took and the basis on which those actions were taken; so that, if there is at any future time a need for that information, it will be available. We are not doing any purely narrative studies just for the sake of getting down the record of what individuals did, but this public records activity does include the policy analysis.

Mr. WIGGLESWORTH. How big is it?

Mr. McCULLOUGH. The total of the public records activity is 193 in the national office and 35 in the field.

The CHAIRMAN. What on earth do they have to do?

Mr. McCULLOUGH. I would like to give you the detail of that. We have three branches in the public records office, one of which carries the residual functions of the price department which was abolished at the end of January. That is a subsidy branch and that branch is engaged in completing the subsidy work.

The CHAIRMAN. What is there to do about that?

Mr. McCULLOUGH. Well, we still have a number of applications coming in from packers for subsidies to which they were entitled as a result of their operations when meat was under price control.

The CHAIRMAN. Have you given us the picture of all of your activities now?

Mr. McCULLOUGH. No, sir, Would you like to have the total before I go ahead with the details?

The CHAIRMAN. Yes; I would like to have everything.

Mr. McCULLOUGH. In the administrative—that includes budget and fiscal, personnel, administrative services, and property records disposal—we have in the national office, on February 1, 457 and in the field, 1,239.

The CHAIRMAN. What else do you have?

Mr. McCULLOUGH. We have an information office and in the national office we have 23 people; or, rather, we have that many positions. We have only 17 employces actually.

The CHAIRMAN. We will put down 17, then.

Mr. McCULLOUGH. And in the field we have 31.

The CHAIRMAN. Is that all?

Mr. McCULLOUGH. Yes, sir.

The CHAIRMAN. That makes a total in the Washington office of 1,442. Is that your over-all employment in Washington?

Mr. McCULLOUGH. I show here 1,432.

The CHAIRMAN. You show 1,432?

Mr. McCULLOUGH. Yes, sir.

Mr. WIGGLESWORTH. I thought he gave us 917——

The CHAIRMAN. He gave us 917 plus 851, which makes 1,768 as of January 15. Am I to assume that you have liquidated 36 in the meantime?

Mr. LLEWELLYN. You have 1,768 on January 15; is that the figure?

The CHAIRMAN. That is right?

Mr. LLEWELLYN. Yes.

The CHAIRMAN. Am I to assume you have liquidated 336 in the meantime; is that how the thing gets that way?

Mr. LLEWELLYN. I am quite certain we will be down to the February 1 figure, but I do not have the final tabulation for February 1 yet.

Mr. McCULLOUGH. That is correct.

Mr. LLEWELLYN. There is a large number of these people who were to go off between January 15 and February 1, and I am sure we will be down to that figure.

The CHAIRMAN. Then 1,432 was your total?

Mr. McCULLOUGH. That is the February 1 figure.

Mr. LLEWELLYN. That is correct.

GRADE RELATIONSHIP OF PERSONNEL

The CHAIRMAN. According to this table, you show a very large number of generals and very few privates—917 generals and 851 privates. How do you get such a balance as that?

Mr. McCULLOUGH. I think, Mr. Taber, that in a major liquidation, such as we have been engaged in, it is inevitable that at some point in your liquidation process you will have a maldistribution of positions if you consider classification a criterion.

The CHAIRMAN. Now, you furnished me with a break-down here of your employment and I have a list of those drawing \$3,000 and above. I have had it tabulated insofar as the Washington office goes and it shows eight assistant administrators. Do you care to justify any such figure as that?

Mr. McCULLOUGH. I would be glad to.

The CHAIRMAN. I would like to have you, if you can; because it is difficult to see how there should be more than two.

Mr. LLEWELLYN. Mr. Taber, we did not analyze that in that particular way.

The CHAIRMAN. I did.

Mr. LLEWELLYN. If you have a list of them, I can identify the people.

The CHAIRMAN. Well, that was the title put opposite their jobs. I would not know, only by the title.

Mr. LLEWELLYN. I think we can follow your list.

The CHAIRMAN. You have 122 economists. What on earth would you have for them to do?

Mr. McCULLOUGH. Again, this is the January 15 employment?

The CHAIRMAN. That is the January 15 employment.

Mr. McCULLOUGH. A large number of those who were reduced in force in the last half of January would be economists.

The CHAIRMAN. What would they have to do now? Your sugar rationing is not a major problem for economists, nor is your sugar pricing. Why would you need any such number as that?

Mr. McCULLOUGH. As I say, the largest number of people who went off in the month of January were the people who were in the price department. The price department had a very large number of economists in it. The number would not be nearly as large as that figure, as of February 1.

The CHAIRMAN. You have personnel assistants and 26 personnel officers. That sounds very decidedly liberal.

Mr. McCULLOUGH. I believe you will find that compares with other Government agencies.

The CHAIRMAN. If they are staffed that way, in proportion, there is a very considerable opportunity for a saving. I do not care about the other departments. That is not any excuse; because, if they are that way, why, they are just bad.

Now, you have 147 accountants.

Mr. McCULLOUGH. May I make one comment on the personnel staff?

The CHAIRMAN. Yes.

Mr. McCULLOUGH. I would be very glad to file with the committee a statement as to just how those people employed in personnel are engaged. I believe the committee would be interested in the activities they are required to carry forward.

The CHAIRMAN. It makes me wonder what you could keep them busy at that would be in the public interest. And the same thing would apply to the 147 accountants. What could they be doing?

FUNCTIONS OF PERSONNEL IN ACCOUNTING ACTIVITY

Mr. McCULLOUGH. I would like Mr. Green, who is the deputy commissioner for accounting, to comment on that and tell you just what those accountants are engaged in doing in the national office.

The CHAIRMAN. Do you have something to say on that, Mr. Green?

Mr. GREEN. Mr. Taber, I can give you a break-down of what those accountants do. You gave me a figure of 147 that are technically classified as accountants.

The CHAIRMAN. Do you mean they are not accountants?

Mr. GREEN. No; I do not mean that. I mean we have, as Mr. McCullough gave you, 168 people, as of today in Washington, of

whom 147 apparently are classified as technical accountants. The rest of them are clerical.

The CHAIRMAN. You mean you have 147 in the upper pay brackets and 21 in the lower pay brackets?

Mr. LLEWELLYN. If I may correct that, that figure of 147 is the 15th of January figure and here, again, we have some of the accountants who are going off the roll before February 1. So your total on February 1 will not be nearly as large as the figure you have here on January 15.

Mr. WIGGLESWORTH. You gave us 168 in the Washington office on February 1.

Mr. LLEWELLYN. Some of the 147 accountants on January 15 have been terminated and are not in the total employment of 168.

The CHAIRMAN. How would the balance split between generals and privates?

Mr. GREEN. I do not know what you mean, Mr. Taber.

The CHAIRMAN. Well, I fixed an arbitrary line at \$4,288 pay and that is the way this list was made up. Would they split about six above that figure to one below, or would there be some other average?

Mr. GREEN. I do not have those figures. I could guess.

The CHAIRMAN. Would you be able to tell offhand?

Mr. GREEN. I can develop those for you. The range of salary in the accounting department would be high.

The CHAIRMAN. You mean you do not have many clerks or typists, or anything of that character?

Mr. GREEN. In proportion, no. There is a high percentage of technical men to clerical staff.

The CHAIRMAN. What would they have to do?

Mr. GREEN. Of the 168 people, that includes the 147—or maybe 142, or 140, approximately 140 technical accountants—12 of whom are assigned to my immediate office. Those include administrative people who have been busy on the reduction in force, clerks of one type and another doing administrative work. Three of them are in a supervisory group, supervising our field staff; 52 of them are concerned with accounting problems of rent, rent surveys, and rent adjustments; 12 of them are devoted to what is left of price, rationing, and enforcement.

The CHAIRMAN. That is the way your 168 is split?

Mr. GREEN. That is right. There are 89 of them as of today still working on subsidy audit programs.

The CHAIRMAN. Well, the subsidy programs have been off for quite a while.

Mr. GREEN. Yes; that is true.

The CHAIRMAN. Why would not they all be cleaned up by now?

Mr. GREEN. Because, during the war and in the year immediately after it, it was impossible for us to hire enough accountants to do the job.

The CHAIRMAN. What do you mean? What is there for them to do now? I would like to see what that is.

Mr. GREEN. I believe I have with me some of the items that they found in costs of one of the alcohol companies. If you will permit me, I will be glad to read a few of the top items of costs they found in this one company.

The CHAIRMAN. You mean where money was paid before there was any audit?

Mr. GREEN. No; the money is paid after the audit, but that is one of three programs and we audit those companies on the costs submitted to see if they have anything in there that is not appropriately a part of the cost of producing alcohol for which the Government should pay. And if you want to take the time, I have one company here and I can tell you the kind of things we found in their costs.

The CHAIRMAN. I would imagine you might on some of these old things, but on the things you have to do presently what is the picture? I do not care so much about the details, but tell us what you have to do now in this program.

Mr. GREEN. We have to clean up these three audit programs.

The CHAIRMAN. What are they?

Mr. GREEN. One is on meat subsidies, delegated to us by the Office of Economic Stabilization. That is a subsidy to protect the earnings of the meat companies in the year 1945.

A second one is this alcohol audits program, where we are auditing the costs of industrial alcohol purchased by the Defense Supplies Corporation.

The CHAIRMAN. Did not they audit it?

Mr. GREEN. No; the RFC delegated the work to us.

Mr. McCULLOUGH. That was on the basis of our audits, that RFC would pay what was finally determined as the cost.

The CHAIRMAN. Well, that subsidy has been over for a good while.

Mr. GREEN. Yes; but we have a good deal of work to clean up and we will not have it cleaned up for 90 to 120 days yet. And one of the major reasons is we simply could not get enough accountants to do it.

The CHAIRMAN. What else?

Mr. McCULLOUGH. I would like to point out in that connection that there are very large sums of money involved in this alcohol program and there are very substantial differences between the figures some of the companies are submitting for payment and the payment we are authorizing.

Mr. GREEN. In the case of this company I have before me, there is \$4,000,000.

The CHAIRMAN. You mean their bill is \$4,000,000, or there is a difference of \$4,000,000.

Mr. GREEN. The difference is \$4,000,000. The bill was \$98,300,000, and we found \$4,000,000 to cut out in the way of costs. If the price is finally determined on the basis of our audit, it will save the Federal Government \$4,000,000 in this one company.

The CHAIRMAN. What are the other activities?

Mr. GREEN. We have an audit program of the shipment of coal to New York and New England, that we are still working on.

The CHAIRMAN. What is the object of that?

Mr. GREEN. It is to reimburse the companies for the excess cost of shipping coal by rail, which was inaugurated after the German submarines sank ships early in the war. That has been stopped now, but we have a backlog of cases which we expect to clean up in the next 90 to 120 days.

The CHAIRMAN. What else?

Mr. GREEN. Those are the three audit programs. We have in the national office 52 people working on rent accounting. They are

mainly concerned with making these area cost studies of rental housing—operating cost studies.

The CHAIRMAN. What are your people in the field doing?

Mr. GREEN. The people in the field are split in this way: of the 346—I will give you the totals—on these rent surveys, which are city area field surveys of operating costs and income of rental properties, on which the over-all rent policy is based, there are 100 people.

The CHAIRMAN. That is on rent?

Mr. GREEN. That is right; that is on rent surveys only; it is not all rent. Then we also have rent adjustments, individual hardship adjustments. That is 145 people. That is completely inadequate now, and if this new adjustment procedure develops the number of cases that I think it will, we just cannot do the job with those people. But that is what we have—145 people.

The CHAIRMAN. How many others do you have?

Mr. GREEN. In audits, ration currency evidences of accountability, in trying to keep those ration documents straight, we have nationally, all in the field, 25 people.

The CHAIRMAN. What else?

Mr. GREEN. In the enforcement activity, accountants assigned to testify for the enforcement department and work on enforcement cases, 18 nationally.

The CHAIRMAN. Are there any others?

Mr. GREEN. Yes; we have 8 supervising accountants. We have 8 regions and each one has a supervising accountant. In addition to that, we have 50 clerical people nationally, all in the field, or a total of 346.

The CHAIRMAN. Are those included in this 554 that are set up in this rent activity?

Mr. GREEN. No.

The CHAIRMAN. You said you had 100 on rent surveys.

Mr. GREEN. That is right—rent accounting surveys.

The CHAIRMAN. What do they do?

Mr. GREEN. Those accountants go to a city that we are requested to survey by the rent department. Their job is to find out the operating position of rental housing in that city. We split the types into multifamily dwellings and small structures, the small structures being one to four families. Then we visit the rental real estate board or property management companies and get those people to give us their costs and income figures. From those we develop the picture of rental housing costs of properties at the moment and over past years in that area.

The CHAIRMAN. I have seen some of this set-up and, frankly, it was not serving a useful purpose.

Mr. McCULLOUGH. The act requires that the rent regulations be generally fair and equitable.

The CHAIRMAN. But if you do not have people on the job who understand what it is all about and how to figure rents, they are a liability to you rather than an asset.

Mr. McCULLOUGH. This was a method we selected early in the rent program to make certain we knew what the operating position of landlords was in typical cities of the country, so that any adjustment that had to be made could be made to comply with that provision of the act.

Mr. GREEN. A year ago, I believe it was the House Banking and Currency Committee that instructed OPA to make more of those surveys.

The CHAIRMAN. It might be all right if they had competent people doing it.

Mr. GREEN. I would like to make one comment if I may on that. The accounting work of OPA has been reviewed by many competent people. It has been reviewed by the American Institute of Accounting and they are on record as supporting our methods and our policies. I do not believe you can show any incompetence in OPA accounting. I am willing to stand any type of investigation.

The CHAIRMAN. All right; I have seen some of it.

Now, that set-up of 120 in Washington: does that include the 52 you have included in the 168?

Mr. GREEN. Yes.

The CHAIRMAN. It does?

Mr. GREEN. I do not understand the 120.

The CHAIRMAN. On rent.

Mr. GREEN. I said 100 in the field on rent surveys; 52 in Washington.

The CHAIRMAN. No; I mean the 120 Mr. McCullough gave me a little while ago as to the ones in Washington.

Mr. LLEWELLYN. He is referring to the rent activity.

Mr. GREEN. No.

The CHAIRMAN. That does not include——

Mr. McCULLOUGH. It does not include the accountants.

PERSONNEL IN RENT ACTIVITY

The CHAIRMAN. A year ago you told us you wanted for the rent activity 136 in Washington and 5,700 in the field. Now, you have 6,554 in the field. In addition to that, you have a lot of these people in the survey set-up, so that you have increased your set-up very markedly. How rapidly has that increased since the 1st of November?

Mr. McCULLOUGH. I have those figures here, Mr. Taber.

The CHAIRMAN. Could you give them to me?

Mr. McCULLOUGH. Yes, sir.

The CHAIRMAN. What was the July figure for the field? Do you know what your estimate was?

Mr. McCULLOUGH. Would you like to have the total for both the field and national office?

The CHAIRMAN. I would like to have the field figure.

Mr. McCULLOUGH. The total field figure on July 1 was 5,181, and on November 1 it was 5,869.

The CHAIRMAN. What was it on December 1?

Mr. McCULLOUGH. It was 5,962. On January 1 it was 6,061.

The CHAIRMAN. And in February 1?

Mr. McCULLOUGH. 6,654.

The CHAIRMAN. The whole picture has gone up about 800 since the 1st of November when the other programs went off?

Mr. McCULLOUGH. Yes, sir.

The CHAIRMAN. That has been by transfer from these other activities of the OPA in the field?

Mr. McCULLOUGH. Not generally; in the field, we had an increase when additional areas were placed under rent control.

The CHAIRMAN. You have opened them since the 1st of November?

Mr. McCULLOUGH. I believe eighty-odd were opened on the 1st of November.

The CHAIRMAN. Have there been 80 opened since the 1st of November?

Mr. McCULLOUGH. On November 1.

PERSONNEL IN SUGAR RATIONING ACTIVITY

The CHAIRMAN. On the rationing you gave us a figure of 70 in the national office and 1,242 in the field. You show a very marked increase in numbers of employees with very little reduction in activity; is that not about right?

Mr. McCULLOUGH. There is no reduction in activity.

The CHAIRMAN. Why not? The sugar rationing is not very much of an activity any more, is it? We are only rationing sugar and rice.

Mr. McCULLOUGH. Just sugar, no rice.

The CHAIRMAN. Why should that show an increase in activity?

Mr. McCULLOUGH. I will be glad to give you the figures which go to make up the increase in the national office. As I recall, there is no increase in the field.

The CHAIRMAN. Oh, yes, there is a big increase.

Mr. McCULLOUGH. There is an actual decrease in the staff administering rationing in the field.

The CHAIRMAN. The figures shown in the table, submitted to us, as of June 30, indicate that there would be 70 in the national office and 1,242 in the field. Was not that correct?

Mr. McCULLOUGH. Yes, that was correct; we had activities at that time charged to sugar rationing primarily, and at that time we had most of the clerical service in connection with the sugar, to the sugar rationing activity, charged to the administrative activity in regional or district offices, or carried as part of the board activity.

This is actually a matter of transferring people working on the sugar-rationing activity in boards or in the administrative service activity in the regional or district offices to the rationing activity budget. The total number of people in some part of sugar-rationing activity is smaller than at the time we made our last submission to you.

The CHAIRMAN. Why does it not show in that way?

Mr. McCULLOUGH. We have endeavored to show it in the material we submitted to the committee in a detailed budget explanation. If you would like, we can give you those figures.

The CHAIRMAN. It does not make sense. You have submitted it on one basis at one time and on another basis at another time.

Mr. McCULLOUGH. I am sure we can reconcile those figures to your satisfaction.

Mr. LLEWELLYN. At the time we submitted the statement to which you are referring, we anticipated an organization of the same general type that we had in the previous year. Because of the decontrol of prices, with a few exceptions, we have had to change materially the organization. In doing that, we had to reorganize the sugar-rationing operation. Previously we had local boards and district offices; we changed the organization a great deal. Our investment is shown in a different way because we have changed the organization.

In comparison with the investment for the first 6 months, we show a decrease in investment for the remainder of the year.

Mr. McCULLOUGH. Would you like to have an analysis of that apparent discrepancy in the figures, Mr. Taber? We can show what these people were doing with respect to sugar rationing prior to July 1 and what they are doing now. They are doing the same jobs; 322 of them are engaged in the distribution of ration currency. They are in 8 regional offices, and they send the currency out.

The CHAIRMAN. They were being used for that purpose before.

Mr. McCULLOUGH. Yes.

The CHAIRMAN. Where did that show?

Mr. McCULLOUGH. In the administration activity.

The CHAIRMAN. Do you mean that administration showed larger in proportion than it does now?

Mr. McCULLOUGH. That is correct.

The CHAIRMAN. It shows a drop of from 535 to 457 in Washington. That would be the picture, where you have not reduced in the proportion that you have in the other activities.

Mr. McCULLOUGH. I think I have given you the wrong impression. My comments were directed toward the field organization. The change in the national office picture is attributable to something else; in the national office there has been a consolidation of the functions into the rationing department; 12 positions were transferred from the Legal Division, and we had those people carried on the legal budget at the time of submission to you.

The CHAIRMAN. You mean the annual budget cut? You still have a very large number in the enforcement set-up. You have not cut that down very much. It has been cut down a little bit, but not very much here in the Department, only about 50.

Mr. McCULLOUGH. Yes.

The CHAIRMAN. The field set-up is better than half, with no activity at all on prices, except on sugar and rice.

Mr. McCULLOUGH. I am not referring to the enforcement activity. Prior to the elimination of the price department the sugar rationing was carried as a division and was served by attorneys charged to the price legal staff. This does not show up now in the price legal staff but in the sugar-rationing department in the national office. Five positions were transferred from the Food Price Division to carry the price functions relating to sugar and rice. Six positions were transferred from the office of the Deputy Administrator of Price. Those were supervisory positions, of which three were on sugar rationing, prior to the abolition of the price department, but they were carried as part of the price staff.

The CHAIRMAN. It does not seem as if there was very much coordination between that testimony and the figure you gave us before.

Mr. McCULLOUGH. As I say, Mr. Chairman, I will be very glad to submit a detailed analysis of that, which I think will demonstrate that the total staff for sugar rationing from this time forward will be less than the number of those engaged in the program last July.

REDUCTION IN PRICE EXECUTIVES AND ANALYSTS

The CHAIRMAN. What are you doing with 14 price executives and 187 analysts?

Mr. McCULLOUGH. Fourteen price executives were completing the price study.

The CHAIRMAN. On January 15?

Mr. McCULLOUGH. Yes, sir; they were going off the pay roll in January, and they are now off.

The CHAIRMAN. What about the 187 analysts?

Mr. McCULLOUGH. Most of those are going, too.

The CHAIRMAN. It would seem that they might go.

There are 168 lawyers listed. What are they?

PERSONNEL IN THE OFFICE OF THE GENERAL COUNSEL

Mr. McCULLOUGH. The largest part of that group are in the office of the general counsel.

The CHAIRMAN. What enforcement activity would they fit in? You have 129 in the Washington office as against 168 lawyers on this list. It does seem as if you ought not to have any lawyers outside of those unless it would be in the enforcement activity.

Mr. McCULLOUGH. Those other lawyers are attached to the general counsel, serving on boards of review.

The CHAIRMAN. On rent now, or on what?

Mr. McCULLOUGH. I have a very brief paragraph here, Mr. Chairman, with reference to that work, which I would like to read. It says:

This office was created in September 1944 as a result of an amendment to section 203 (c) of the Emergency Price Control Act, which provided that a protest to a maximum price or rent regulation or order filed after September 1944 must, upon the request of the protestant, be considered by a board of review before it can be denied in whole or in part. Revised Procedural Regulation No. 1 provides that such request for consideration may be filed with the original protest or not later than the 15th day thereafter. The function of the board of review is to consider the regulation, or order protested, on the basis of a completed evidential record, aided by the oral argument (or brief, if any) offered by the protestant, and to make recommendations to the Administrator concerning the disposition of the case. The Administrator may either follow the recommendations or reject them for publicly stated reasons.

Part of this staff is engaged in hearing those protests which were filed when prices were decontrolled, when it immediately became apparent to anyone that they had been in violation as the result of charging over the selling price, when anyone who might be charged would file a protest with respect to the price and pursue his administrative remedy before being engaged in any litigation with the Office of Price Administration, and the number of those protests has been increasing substantially since price decontrol. This will be a tough job, and it probably will reach its peak in March or April as we push that on to where we had it before present decontrol, and we believe we will not have a reduction in that activity until toward the end of the year.

We plan to reduce the Office of General Counsel from 152 on February 1 to 103 at the end of the year.

Mr. WIGGLESWORTH. Of this fiscal year?

Mr. McCULLOUGH. Yes. That goes down to 103 on April 1.

The CHAIRMAN. Is that the decontrol set-up?

Mr. McCULLOUGH. These are the boards of review to hear any protests of manufacturers and businessmen and landlords who want to pursue their administrative remedies before going into court.

The CHAIRMAN. Is that the set-up on decontrol?

Mr. McCULLOUGH. That is not the enforcement set-up.

The CHAIRMAN. Is that the decontrol set-up you gave us?

Mr. McCULLOUGH. Not the decontrol set-up I gave you a few minutes ago. I referred to the enforcement staff.

The CHAIRMAN. You have 129 on your enforcement staff in the District and 2,574 in the field.

What does this decontrol staff have to do today?

Mr. McCULLOUGH. I referred to a staff of 16 in the national office engaged in the disposition of decontrolled commodities and the staff in the field of 285 investigators engaged in the same work. In addition to that, attorneys in the field in the enforcement activity handle litigation with respect to those cases.

The general counsel's office is in Washington; that activity does not extend into the field.

TRANSFERS OF PERSONNEL

The CHAIRMAN. How many of these people have been shifted from one roll to another in that set-up since the 1st of November?

Mr. McCULLOUGH. How many of the people in the general counsel's office?

The CHAIRMAN. No; in the whole picture. You have moved a lot of them from these closed-out activities, which has resulted in this increase in numbers in the operating activities, has it not?

Mr. McCULLOUGH. In the enforcement department it goes the other way. On December 1 we had in the field in the enforcement work 6,404 people. That dropped very sharply to 2,574 on February 1.

UNEXPENDED AND UNOBLIGATED BALANCES JANUARY 1, 1947

The CHAIRMAN. How much was your unexpended balance on the 1st of January?

Mr. McCULLOUGH. Does that refer to the balance after commitments charged against it, or to the actual balance in the fund?

The CHAIRMAN. The balance after satisfying all incurred obligations. I do not mean your set-up if it is beyond January 1.

Mr. McCULLOUGH. I think it was, roughly, \$74,000,000, which is the amount we have spent up to the end of December.

The CHAIRMAN. You say \$74,000,000; is that right?

Mr. LLEWELLYN. I have the actual obligations for the first 6 months. The total amount obligated to December 31 is \$73,350,000 of the 101 million appropriation.

REDUCTION OF PERSONNEL FOLLOWING DECONTROL

The CHAIRMAN. You did not get rid of much of your help until after the 1st of January, did you?

Mr. McCULLOUGH. Yes, sir.

The CHAIRMAN. You held up your notices in the middle of November, when you should have your notices out 15 days before.

Mr. McCULLOUGH. Authority was given us here to do that.

The CHAIRMAN. You did not give your notices until the month of December, when you should have done it on the 15th of November; is that right? That is correct; is it not?

Mr. McCULLOUGH. We gave most of the notices before the 1st of December.

The CHAIRMAN. You did not give any of them to speak of.

Mr. McCULLOUGH. A substantial number had already received notices prior to that.

The CHAIRMAN. Not very many.

Mr. McCULLOUGH. I think all of the Board employees had received notices.

Mr. LLEWELLYN. Yes, we had given Board employee notices.

Mr. McCULLOUGH. I think about 10,000 of them had received notices before that time.

Mr. LLEWELLYN. After final decontrol we gave most of them notices between November 22 and November 29. In other words, as soon after decontrol as it could be done, according to civil-service procedure. Those affected by decontrol were given notices between November 22 and 29. Between October 15, when we had something over 35,000 people, and January 1 we got down to 15,461.

Mr. McCULLOUGH. I think we gave something like 10,000 termination notices prior to December 1.

OFFICE OF PUBLIC RECORDS

The CHAIRMAN. You have been setting up a very large outfit for the office of Public Records, under a man by the name of Kershaw.

Mr. McCULLOUGH. He is the director of the activity.

The CHAIRMAN. That has been done within the last 3 or 4 days?

Mr. McCULLOUGH. We terminated the price department at the end of January.

Mr. LLEWELLYN. We transferred——

The CHAIRMAN. Was it the idea to have something to take its place so you would have an excuse for keeping them on the roll?

Mr. McCULLOUGH. No, sir; we had certain functions we were obligated to continue, and rather than continue the price department when we had a little bit different function remaining, we transferred 15 people from the Subsidy Branch to the Office of Public Records, and we had 79 people engaged in the Economic Commodity Analysis Branch and 55 in the Policy Analysis Branch.

The CHAIRMAN. Is that what you are doing with the analysts, these different so-called analysts?

Mr. McCULLOUGH. A number of them are engaged in the analysis of economic data.

ECONOMIC DATA ANALYSIS BRANCH

The CHAIRMAN. Then there is another set-up you made on December 10 under a man named Henry Peel.

Mr. McCULLOUGH. That is the economic data analysis branch.

The CHAIRMAN. And is Henry Wold mixed up in that? How many people are in that job?

Mr. McCULLOUGH. Seventy-nine.

The CHAIRMAN. What are they, mostly?

Mr. McCULLOUGH. What type of employees?

The CHAIRMAN. Yes.

Mr. McCULLOUGH. I would say principally economists and analysts.

The CHAIRMAN. I wonder if you could give us a list of them included in that operation separately, for the record?

Mr. McCULLOUGH. Yes. You refer to——

The CHAIRMAN. Mr. Kershaw's outfit, and also the other one.

Mr. McCULLOUGH. Both of those activities are under Kershaw's direction.

The CHAIRMAN. They are all under Kershaw? Give us all those, including the 79; give us them.

Mr. McCULLOUGH. Would you like to have a summary of what they are doing?

The CHAIRMAN. I have it here, but you can put it in the record, if you want to, and also put in the record a copy of the letter that went to Peel on December 10, and also a copy of the letter that went from you, the staff memorandum 611, and the one from Mr. Green to Mr. Kershaw, or Kershaw to Green, under date of January 27, 1947.

Mr. McCULLOUGH. Yes, sir; we will do that.

(The matter above referred to is as follows:)

ECONOMIC DATA ANALYSIS BRANCH

Cope, Beulah L. M., economist.	Tepper, Lester, economist
Corridon, Donald C., economist.	Waddell, William, statistical clerk
Courter, Anson O., business economist.	Wohl, Henry, economist
Eades, William B., Jr., economist.	Yaffa, Isidore, economist
Glaser, Stanley, production analyst.	Greenfield, Margaret, assistant book-keeper-clerk.
Goldberg, Benjamin, economist.	Gage, Theodora G., clerk-typist
Greenberg, Isidore, administrative clerk.	Shulman, Harry, economist
Hallowell, Elmer W., economist.	Stegall, Inez O., stenographer-clerk
Kury, Anita R., economist.	Ramos, Lydia B., statistician
McMullen, Thomas R., economist.	Wachtel, Sidney B., economist
Coley, Beatrice, economist.	Schocken, Max G., economist
Armstrong, Edith, clerk-typist.	Taylor, Stephen P., economist
Banner, Paul, economist.	Neff, William B., statistical assistant
Cooper, William, economist.	Loftus, Marie C., clerk-stenographer
Duerden, Grace, Statistical clerk.	Rubenstein, Mary, statistical clerk
Fleming, Ann V., economist.	Campan, Simeon M., accountant
Franklin, Laline O., statistical clerk.	Dickinson, George R., Jr., statistical clerk
Grainey, Margaret, clerk-stenographer.	Harris, Edna, statistician
Jenkins, Kenneth, economist.	Bates, H. Burton, Jr., accountant
Landau, Emanuel, business economist.	Ginzburg, Benjamin, economist
Lester, Alean E., attorney.	Helsing, James D., accountant
Lumer, Wilfred, economist.	Atkinson, William, accountant
Morton, Helen L., statistical clerk.	Bricker, John A., accountant
Nugent, Irene H., clerk-stenographer.	Colley, Douglas G., accountant
Peel, Henry A., economist.	Hill, Frank, accountant
Roberts, Ann S., clerk-typist.	Rothstein, Samuel, accountant
Simkey, Irene, production analyst.	Sorton, Albert, accountant
Reynolds, Edith, economist.	Yingling, William, accountant
Hopkins, Everett, business economist.	Zebulske, Walter, accountant
Abraham, Kwyn, economist.	Garis, Harry, accountant
Derow, Bert, economist.	Jones, Guy, accountant
Osterbind, Carter, economist.	Moor, William, accountant
Guttman, Bernard, economist.	Normandy, Willard, accountant
McCabe, Ralph, economist.	Pauly, Edwin, accountant
Gerlando, Peter, economist.	Whitman, George, accountant
Rafsky, Murray, economist.	Hartman, Alfred C., accountant
Potter, Lawrence, production analyst.	Bonsby, Ernest, accountant
Lehman, Robert S., production analyst.	Stesney, Katherine, clerk-stenographer
Perlo, Eva, clerk.	Mansfield, Harvey C., historian.
Lorch, Hilda, clerk-stenographer	
Tank, Martin, economist	

POLICY-ANALYSIS BRANCH

Dagneaux, Clementine, clerk-stenographer.	Friedman, Ann, economist.
Wood, George, historian.	Gorham, James, economist.
Berg, Lola, clerk-stenographer.	Karon, Robert, attorney.
Russell, Judith, information specialist.	Kass, David, economist.
Stecker, Margaret, historian.	Kidney, Juliet, economist.
Tilley, Laurence E., historian.	Lawson, Eric, economist.
Fuller, Gertrude, clerk-stenographer.	Letzler, Alfred, attorney.
Blasingame, Georgetta, clerk-stenographer.	Levinson, Jerome, attorney.
Wilson, William Jerome, historian.	Lifter, A. Moore, attorney.
Piper, Carol S., historian.	Paschke, John, economist.
McGregor, Harlan, historian.	Quint, Milton, Director.
Randolph, Mabel, analyst.	Ritz, Philip, economist.
Dreher, Elsie, clerk-stenographer.	Segal, Sol, economist.
Gervais, Agnes, clerk-stenographer.	Zimmerman, Virgil B., analyst.
Cutler, Addison T., price executive.	Welsh, E. C., field representative.
Fantin, Renee, economist.	Armstead, Clara B., clerk-stenographer.
Mendenhall, James E., Director.	Bushnell, Alice, clerk-stenographer.
Armstrong, Robert, price executive.	Davis, Katharine, clerk-stenographer.
Benes, Robert, attorney.	Morton, Viola E., clerk-stenographer.
Bingham, Robert, economist.	Newman, Annie M., clerk-stenographer.
Bliss, John, business specialist.	Russell, George Miss, clerk-stenographer.
Caplan, Benjamin, economist.	Stanley, Charlotte, clerk-stenographer.
Carsel, Wilfred, economist.	Vivette, Pauline, clerk-stenographer.
Dickerson, Reed, attorney.	Webster, Dorothy, clerk-stenographer.
Eckert, James B., economist.	Brisky, Ann, clerk-stenographer.
Erikson, Arval, price executive.	Burchard, John H., analyst.
Franck, Peter, analyst.	Washington, Yvonne, clerk-stenographer.

OFFICE OF TEMPORARY CONTROLS

OFFICE OF PRICE ADMINISTRATION

OFFICE OF PUBLIC RECORD

Function of the Economic Data Analysis Branch

The data being salvaged by the Economic Data Analysis Branch were collected during the price control period; their collection required great expenditures of time and money. The estimated cost of collecting the various types of information may be indicated by the following examples: rubber products, natural and synthetic, \$400,000; textile data, about \$2,400,000; processed fruits and vegetables, \$900,000; industrial alcohol, \$1,100,000; lumber, over \$600,000; building materials and construction, \$750,000.

Much of this data may now be salvaged and summarized for other Government agencies, business and research organizations, at a nominal cost. This saving can be effected only by retaining personnel acquainted with the data, since much of it is in a raw state and unless it is processed by professional personnel familiar with it, a major share of the value of the data would be lost. In addition, the necessity for maintaining the confidentiality of the material collected by OPA renders it impossible to turn over the information without first preparing summaries in such form that no individual company data will be revealed.

Most of this data has never before been available. Intense interest in its conservation has been evidenced from Government, business, and research agencies. The first published study, showing the pattern of civilian meat distribution during the first quarter of 1944 was urgently requested by the meat-packing industry. An advisory committee of the national bituminous coal industry is now urging its members to continue supplying to Government agencies the type of information on the bituminous coal industry which provides the basic data for the second publication to be released.

Information on the structure of manufacturing and distributive industries now available in OPA files is of the type necessary for normal and continuing functions of other Government agencies. It is not available elsewhere so that if the information were not summarized by OPA, other Government agencies would either have to collect similar information themselves or go without it.

An outstanding example of the use of which unit cost and margin data may be put is afforded by the provisions of the Hope-Flannagan Act, under which the Department of Agriculture is authorized to study the cost of processing and distributing agricultural commodities. In this connection, the Department of Agriculture has recently requested that OPA prepare a total of 108 tabulations of data dealing with food commodities and 126 tabulations dealing with nonfood commodities.

The Federal Trade Commission is interested in making full use of OPA summaries to obtain information it ordinarily collects on the structure of American industry. The Tariff Commission is utilizing the data for the light they throw on problems relating to import duties. In connection with studies of labor productivity, the Bureau of Labor Statistics is drawing heavily on OPA's information on labor costs. The Department of Commerce has submitted a voluminous request for tabulations which it wishes to use for the purpose of meeting the requests of American industry for data of the type that the Commerce Department normally obtains and makes available.

In addition to the saving to Government agencies, it is worth noting that the utilization of existing data would avoid considerable expense to American industry, as well as the interference with business operations necessarily entailed by collections of the same information.

The policy analysis work of OPA

The organization and preparations for fighting this war on the economic home front—production and manpower controls, wage and price stabilization—were made practically without benefit of any detailed and understanding knowledge of our experience in these fields during World War I. Only in the case of selective service and war bond sales methods is there real evidence that lessons of the previous experience were learned and mistakes avoided.

The World War I home-front control machinery was abruptly dismantled, its records unceremoniously dumped into dead storage, and its staffs scattered without stopping to set down, summarize, or reflect on the problems they had encountered, the wisdom they had gained. The Government made no subsequent provision for orderly study or analysis of these problems. Almost alone among the participants, Bernard M. Baruch thought a record of the controls and their organization would have a future value. He wrote and published privately his book, *Taking the Profits out of War*. It was soon out of print and by 1940 was virtually unobtainable.

During the years between the two wars, the Army made plans for industrial mobilization against its time of need. These included a paper provision for price controls, and for a price section in the organization it contemplated. But the functions to be performed were too sketchily spelled out to be of value when the time came. They did not rest on any knowledge of actual experience; they did not give any realistic hints of the nature of the problems to be encountered. Baruch caustically commented on one of the early drafts of the industrial mobilization plan: "Why not use a plan that was working [i. e., in World War I]? This one won't."

Of the next revision he said: "I feel that your revised plan is the first indication I have seen since the war that the essence of the principles used by the War Industries Board has been grasped."

After the NDAC was established, and for a year or two later, its members and staff inquired eagerly for materials on the World War I experience. They found themselves confronting, one after another, many of the same old problems, even though the circumstances were different. Broad problems of governmental organization, and detailed problems of commodity classification alike, were tackled afresh as though they were something new under the sun.

In 1941, a year too late, Baruch's book was republished under the title, "*American Industry at War*," and widely sold and discussed. In the same year, at much lower policy level, the Bureau of Labor Statistics undertook, in a series of mimeographed studies, to assemble what could be gleaned from the stored records and files of World War I controls, commodity by commodity. But the significant lessons could not be recaptured at that distance; these studies were too superficial to be of use. In fact it took $2\frac{1}{2}$ or 3 years, from June 1940 until the fall of 1942

or the spring of 1943, to work out by trial and error the basic pattern of governmental organization and policies for stabilization. For half this period the Nation was actually at war, and military affairs were critical. In Germany, it is worth noting by contrast, the basic rationing documents—regulations, forms, and currency—were prepared, printed, and stored away for future use as early as 1935.

The failure to have available the lessons of World War I was very costly to the development of home-front stabilization, both in time and in money, and directly to the Government as well as to the general public. For example, the inability to get gasoline rationing on the east coast under way until July 1942, although the need was foreseen months earlier, cost the Government heavily in emergency expedients after stocks had been needlessly dissipated. Fuel-oil rationing could not be launched until the fall heating season in 1942 had already begun; its administrative problems nearly wrecked OPA's field organization for several months, and caused the public confusion and inconvenience that could have been greatly eased if World War I lessons had been generally understood. An adequate analysis of the behavior of textile and apparel prices and production during the last war would have warned responsible authorities this time to take the steps needed to prevent the major break in the stabilization line that has been witnessed in this area.

The failure to achieve wage stabilization until late in 1942 cost the Government billions of dollars in payments for war production, which are now a part of the public debt, and built up postwar inflationary pressures that are still with us. Moreover, the price of securing wage stabilization after so much damage had been done to the economy was the institution of food subsidies in 1943. Over the next 3 years these meant a direct Government outlay of about \$4,500,000,000, some 10 times the cost of OPA's entire administrative establishment for the same period. On the other hand, alert and ingenious action, taken before Pearl Harbor, stabilized copper prices at prewar levels by means of the premium-payment plan, and saved the Government hundreds of millions of dollars directly in the cost of war goods, more than all the appropriations to OPA put together. Compared with sums of such magnitude, and bearing in mind the prospective expenditures for stabilization that another war would entail, a modest investment in the analysis of OPA experience is a step dictated by every consideration of prudence.

Accordingly, OTC-OPA is following the lead of the Budget Bureau, the War Production Board, and the other wartime agencies in trying to make sure that this time a deliberate effort is made, while the experience is still fresh and some of the participants in it are still available, to capture and record the significant elements of the story—the major problems of policy that were met, the alternatives considered or tried, their administrative implications, and evaluations of results, all presented as objectively and accurately as possible. OTC-OPA is using for these analyses staff members who for the most part have had responsible operating positions that brought them in contact with the problems they are analyzing, and who therefore can speak with personal knowledge of the facts in their areas. This should enable us to finish the job more quickly and economically, and should bring better perspective and more penetrating insights to it than outsiders could provide.

To carry out the project we expect to prepare, and, so far as time and funds permit, to publish three types of manuscripts, as follows:

(1) *Reference and documentary materials.*—Under this heading we have in press a chronology listing for convenient reference some 1,800 entries, and the minutes of early policy committee meetings. A bibliography of OPA publications, including internal circulars, is also being prepared, in line with the National Archives program for making its collections of agency records accessible for future study.

(2) *General volumes.*—Two general volumes, one an over-all agency summary, and the other a general account of rationing in World War II, are planned. Time and staff limitations will probably oblige us to abandon plans for a comparable volume on price control, since it is unlikely it could be completed during this fiscal year.

(3) *Special studies.*—This is a series of separate studies, each dealing with significant administrative or program phase of OPA operations. Forty-three of these are in process, about half of them dealing with individual commodity programs, and the rest with persistent operating and policy problems, such as ration banking, institutional users, and field operations in rationing, pricing standards, pricing techniques, the use of subsidies, supply problems and retail problems in price control; enforcement; the use of volunteers, etc.

This is an ambitious program for accomplishment within the remaining months of the fiscal year, but it is modest in the light of the range of problems OPA faced

and the extent of the impact of its activities on the country. If it should be the means of saving a few months or millions of dollars in another time of crisis, it will have repaid the effort.

DECEMBER 10, 1946.

Memorandum.

To: Mr. Henry A. Peel, Chief, Economic Data Analysis Branch.

From: Henry Wohl.

Subject: Outline of Consumer Goods Division economic data projects.

The following is an outline of the economic data projects deemed to be the most worth while in the Consumer Goods Division area which have either already been scheduled for completion by January 30 or which it is contemplated should be handled by the Economic Data Analysis Branch in the period between January 30 and June 30, 1947.

1. CONSUMER DURABLES . . .

A. Scheduled for completion by January 30, 1947

1. Tabulation of basic wage rate changes from October 1941 to the date of the first reconversion study and to the date of the price adjustments granted under Executive Order No. 9697 for each of 10 reconversion industries, such as washing machines, refrigerators, vacuum cleaners, wool floor coverings, radios, innerspring mattresses, etc.

2. Correlation of basic wage rate changes as outlined in (1) above with straight time average hourly earnings from October 1941 and at the date of the various reconversion and wage-price studies.

Items 1 and 2 are to be tabulated by the Reports and Surveys Section.

3. Tabulation of bills of material for selected industries.

4. Analysis and tabulation of expense accounts of 600 appliance dealers and 160 appliance wholesalers.

Items 3 and 4 are to be completed by seven accountants and three price personnel especially assigned to these projects.

B. Projects to be handled by Economic Data Analysis Branch

5. Tabulation of employment, sales, and capital-investment data for each of the major consumer durables industries.

6. Tabulation of financial data, showing earnings, sales, and net worth for the base period and for each of the years of price control for which it was collected, by small industry groups. This information does not duplicate that already prepared from BIR transcripts, inasmuch as the financial data we have is in much more detail and is broken down by smaller industry classifications so that segments of an industry, such as upholstered furniture, can be broken out of a larger industry group.

7. Tabulation of the ratio of direct labor to total sales for each of the major consumer durables industries.

8. Tabulation of earnings data, by size of firm and type of operation, for the electrical appliance wholesale industry.

9. Tabulation of earnings data, by size of firm and type of operation, for the electrical appliance retail industry.

II. TEXTILES

B. Projects to be handled by Economic Data Analysis Branch

10. Tabulation of over-all profits, sales, net worth, ratio of profits to sales and ratio of profits to net worth for the cotton-textile industry in the years 1936 to date.

11. Tabulation of over-all profits, sales, net worth, ratio of profits to sales and ratio of profits to net worth for each major item of cotton textiles in the years 1939 to date.

12. Tabulation of relative profitability of major items, ratio of profit to sales, 1936 to date.

13. Tabulation showing for each major item the variation in cost and profit, by size of firm, location of firm, and by the degree of integration per firm.

14. Tabulation showing for each major item the share of total cost, percentage-wise and in dollar volume, comprised by materials, direct labor, indirect labor, seconds expense, administrative expense, selling expense, and discount expense.

15. Tabulation showing for each major item and for each product group within the major items the average price and profit in cents per pound for the years 1939-41 and in 1946.

16. Tabulation showing for each major item the pounds of cotton consumed, the average or typical grade and staple of cotton, and the average net waste multiplier.

These data were collected in the accounting surveys conducted pursuant to the Bankhead amendment. It will be necessary that accountants familiar with the data be retained to permit the processing outlined above.

17. Tabulation of average straight-time hourly earnings in the cotton-textile manufacturing industry, February 1945 and February 1946, by size of firm and by geographical location.

18. Tabulation of production, cost, and profit data in the cotton-ginning industry, 1936-39 average and 1944-45 season, by geographical location, type of ginning equipment, and size of gin.

III. APPAREL

A. Scheduled for completion by January 30, 1947

19. Tabulation of dollar sales, direct cost, highest price line, percentage of sales to different classes of trade and sales of goods fabricated by contractors for 900 men's tailored clothing manufacturers producing over 80 categories of men's tailored clothing for the year 1943.

20. Tabulation of dollar sales, direct costs, percentage of sales to each class of trade and sales of goods fabricated by contractors by manufacturers of nine categories of men's and boys' shirts, shorts, pajamas, and other nightwear for the year 1943.

21. Tabulation of dollar sales, direct cost, lowest price line, highest price line and percentage of sales for each class of trade made by 200 manufacturers of 48 categories of men's and women's heavy outerwear for the year 1943.

22. Tabulation of average direct cost, highest price line, dollar gross margin and cost price ratio, by style of garment, for 850 manufacturers of 10 categories of women's underwear and nightwear for the year 1942.

23. Tabulation of direct materials cost, direct labor cost, and margins for over 500 manufacturers of various categories of women's foundation garments for the year 1942.

These tabulations are scheduled for completion by the Reports and Surveys Section.

B. Projects to be handled by Economic Data Analysis Branch

24. The analysis and tabulation of the maximum average price data representing the sales price and production record for all apparel industries for the year 1943, and for three quarters of 1945 and the first quarter of 1946. These data cover virtually all apparel items and accessories in over 400 categories, with size, sex, and fabric differences indicated separately, as well as a distinction between woven and knit garments. It is estimated that a tabulation of deliveries in terms of dollars and units for all manufacturers in each garment category for each of the five time periods could be made by the former Inventory and Control Branch located in New York with a cost of \$2,500. If the data were to be coded and placed on punch cards, which would permit tabulations by area, size of company, average price, and so forth, it is estimated that the cost would range between \$7,500 and \$10,000. Interest in these data has been expressed by the Apparel Industry Division of the Bureau of Census, the Textile Section of the Office of Domestic Commerce, and by the Tariff Commission.

IV. DISTRIBUTION

A. Scheduled for completion by January 30, 1947

25. Tabulation of mark-ups, by cost lines, for department stores.

26. Tabulation of mark-ups of independent stores, by size of store and by geographical region.

These tabulations are being completed by the Reports and Surveys Section. In addition, the Distribution Branch now has in process an analysis of retail mark-ups for price-maintained lines.

B. Projects to be handled by Economic Data Analysis Branch

27. Analysis by the Bureau of the Census of the stratification of the 5-percent sample used in the MPR-580 mark-up study and the further analysis of approximately 10 categories to supplement the cost line study in several commodity fields.

28. Analysis of the financial data for the years 1936-39, 1944, and 1945 for the following distributive trades: (a) Retailers of shoes, (b) Wholesalers of shoes, (c) Retailers of furniture, (d) Retailers of men's furnishings.

29. An analysis of the financial and margin data available for the distributive trades to determine the reasons for the differences in the cost of distribution for similar commodities such as stoves, refrigerators, washing machines, and radios.

JANUARY 27, 1947.

Memorandum.

To: Mr. Paul Green, Deputy Commissioner for Accounting.

From: J. A. Kershaw.

Subject: Relationship between Office of Public Records and Accounting Department with regard to Economic Data Analysis Branch.

This will confirm the agreement reached by us on January 22, 1947, with regard to the best operating methods to be followed by the Office of Public Records, and by the Accounting Department, on the Economic Data Analysis project.

It is understood that the accountants will remain in the Accounting Department. We will allot from our budget the number of positions necessary for use by the Accounting Department for personnel on this project. The Accounting Department will supply the usual technical advice and direction to be sure that the work done meets the standards of good accounting practices.

Beyond this the method of administrative operation will be as follows:

1. Henry Peel, and each of the Accounting Division Directors involved, will select the accountants to work on the project. Such personnel must be mutually acceptable to both Mr. Peel and the Accounting Department.

2. Personnel working on the same project, whether accountants or economists, will be located in physical proximity to as great an extent possible, the limiting factor to be only where such location would involve major moves of records.

3. Henry Peel will decide on which projects accountants are to work and what the general nature of their work will be on such projects.

4. Where the accountants and economists working on a project do not agree on any matter, Henry Peel will decide the dispute except if the question involved is one of technical accounting. Should any accountant think that Peel has overruled him on a technical accounting matter, he may take up such issues with you, and these will be resolved in joint conference of both offices.

5. All personnel working on a project, whether accountants or economists, will have access to all data pertinent to the project. Any questions regarding access to data as well as safeguarding the files will be the responsibility of the supervisor of the project.

6. Henry Peel will appoint a supervisor for each project. This person may be either an accountant or an economist. All persons working on the project, whether accountants or economists, will work under the administrative direction of the designated supervisor.

7. The Accounting Department will approve all studies for technical accounting adequacy prior to release.

I believe that the points listed above are sufficient to give us the basic framework of a soundly operating organization, and feel confident that on such points as may not be covered above, your office and ours can quickly resolve as they arise.

OFFICE OF TEMPORARY CONTROLS,
OFFICE OF PRICE ADMINISTRATION,
Washington 25, D. C., January 30, 1947.

STAFF MEMORANDUM NO. 611

To: OPA Staff, National and Regional Offices.

From: Max McCullough, Commissioner.

Subject: Establishment of the Office of Public Records.

In order to provide effective direction, during the liquidation process, of certain functions heretofore in organization units which have recently been abolished or reorganized, the Office of Public Records is being established, as of February 1, 1947, in the Office of the Commissioner. It will include the Economic Data Analysis Branch, by transfer from the Office of Research; the Policy Analysis

Branch, by transfer and redesignation of the History Branch from the Office of Budget and Planning; and, in the office of the Director, three subsidy operations sections, by transfer from the Price Department. The organization and functions will be fully described in Ch. 1-20, OPA Manual, to be issued shortly.

I have appointed Joe Kershaw as the director of this newly established office. His long and varied experience with OPA render him especially qualified for this job, which calls not only for alert direction of branches of the office, but for coordination of the work of the office with that of the rest of the agency, particularly with that of the Records Branch, Office of Administrative Service, and the Audits Division, Accounting Department.

PERSONNEL IN EMPLOYMENT SERVICE

The CHAIRMAN. You have a set-up of 64 in the employment service of your high-priced employees. On January 8 you made a set-up, and in that there are at least three at \$10,000 a year, with economists, field representatives, directors, and so forth, a very large number drawing down \$7,000 and \$8,000.

Mr. McCULLOUGH. Mr. Taber, I think you will find that those people, by and large, on December 30, had been given their active duty notice.

The CHAIRMAN. The biggest part of them were on the roll as of January 15. There is no trouble finding them in that list.

Are you giving 30 days active duty notice to these people?

Mr. McCULLOUGH. Yes, sir.

The CHAIRMAN. And you give them terminal leave on top of that?

Mr. McCULLOUGH. It included their annual leave.

The CHAIRMAN. They get their terminal leave on top of that, do they not?

Mr. McCULLOUGH. I do not think I get just what you mean.

The CHAIRMAN. They get that on top of their 30 days?

Mr. McCULLOUGH. Yes, sir.

The CHAIRMAN. You are doing that with all of them?

Mr. McCULLOUGH. Yes, sir; I think that is in accordance with the policy the Government has established; I think that is generally followed by all Federal agencies.

PERSONNEL PERFORMING ECONOMIC DATA ANALYSIS

The CHAIRMAN. I understood you had 63 economists on that historical study that is in operation; is that right?

Mr. McCULLOUGH. Do you mean the economic data analysis?

The CHAIRMAN. Yes; I believe that is what they call it.

Mr. McCULLOUGH. I do not know the exact number of economists. The total staff is 79, including the clerical employees.

The CHAIRMAN. Were they the ones who were picked out as the ones who would be least able to find employment in private industries or in educational institutions?

Mr. McCULLOUGH. No, sir; they were not picked out on that basis.

The CHAIRMAN. Are they not generally made up of that type?

Mr. McCULLOUGH. They are largely economists and analysts. Those are the people whose qualifications are required to do this kind of a job; they were not picked on that basis. These are people who had job offers before coming into this agency, and when they started on this job they were trying to finish up what they started, which is

of some importance to the industry of this country and I think to other agencies of the Government also.

The CHAIRMAN. Is Leander Lovell one of them?

Mr. McCULLOUGH. I am sorry, I do not know all of them by name.

The CHAIRMAN. And also Frank Manuel?

Mr. McCULLOUGH. No, sir; he is not in the Economic Data Analysis Branch.

The CHAIRMAN. What is he doing?

Mr. McCULLOUGH. He is in the rent department.

The CHAIRMAN. At \$9,975, as I understand it. What experience has he had to qualify him for working in the Rent Department?

Mr. CARSON. He heads up the Planning Department. He is an economist with a background of teaching.

The CHAIRMAN. Where did he study economics?

Mr. CARSON. That is my general knowledge—economics or history. I am not too familiar with his educational background. He has a grade.

The CHAIRMAN. What grade?

Mr. CARSON. He has a professional grade.

Mr. McCULLOUGH. He was absent from the staff in the Army and returned to us about a year ago.

The CHAIRMAN. Then there is Roderick Riley. He is getting \$10,000 as an economist.

Where is he?

Mr. McCULLOUGH. He is an economic adviser.

The CHAIRMAN. Is he still on the roll? What is he doing? Is he among the 79 that are going somewhere else?

Mr. McCULLOUGH. He is among the 79. He is completing two things. He will be leaving about the end of March or the 1st of April. Mr. Riley is completing a profits study started early in the war, and the studies for the last quarter of the calendar year 1946 will have been completed at the end of the first quarter of this year. He will not continue those studies beyond that time, and he will leave.

The CHAIRMAN. Then there is Tom Tippet, who is another old friend.

Mr. CARSON. He is in the Rent Department. He has been there for about 5 years.

The CHAIRMAN. What are his qualifications for that position?

Mr. CARSON. He has charge of the regular field operations.

The CHAIRMAN. What are his qualifications?

Mr. CARSON. He has had considerable experience directing field operations.

The CHAIRMAN. But not any in the real estate field, or anything of that character?

Mr. CARSON. Not real estate per se. He does not participate in the making of regulations which would require very specific knowledge.

The CHAIRMAN. I think you had better put Tom Tippet's qualifications in the record, and also Riley's qualifications and Manuel's qualifications, and also Mr. Lovell's. He is the price executive, according to the schedule I have had submitted to me.

(The requested information is as follows:)

Tom Tippet, director of operations, in the Rent Department, is directly responsible for the operation of field offices. As such, he is not responsible for general rent policies and regulations, but is concerned with seeing that the policies

are carried out through the field offices. This involves training, coordination, and direction of such activities.

He studied at the University of Chicago from 1920 to 1925. He also took graduate work at Columbia University and American University. He has taught at Barnard College, Bucknell University, and University of Wisconsin.

As for Government experience, he was a research analyst and personnel officer with WPA from 1937 to 1939. He was an administrative officer in 1939 with WPA and also administrative officer in 1940 and 1941 with NYA. During a part of 1940 he was personnel director for PM newspaper. In each of these positions he had considerable staff to direct.

Mr. Tippet has been with the rent program from its earliest days, beginning as Assistant Chief of the Rent Section. He had a large part in the organization and direction of fair-rent committees established before the Emergency Price Control Act was passed by the Congress. He has been with the Rent Department in field operations since the establishment of Federal rent control. His broad knowledge of organization, training, and people generally, particularly fits him for this type of work. Throughout the program he has acquired the respect and admiration of the members of the field staff and has achieved excellent results in the administration of the program in the field.

Frank E. Manuel, as Director of the Program Division of the Rent Department, acts as head economist on rents. As such he is responsible for the assembling of statistical data and the analyzing of various economic data as it affects rents and rental housing. He is not responsible for general policy decisions or the promulgation of rent regulations. In other words, he is concerned with the broad over-all economic phases of the program, rather than decisions involving matters requiring a background of real estate experience.

Mr. Manuel attended Harvard University where he obtained his doctor of philosophy degree. After graduation he taught history, government, and economics at the same institution. Later he was regional director of the Federal writer's program and in 1940 was research economist with the WPA and National Defense Advisory Commission.

Mr. Manuel has been with the program since the days of the fair-rent committees, prior to the passage of the Emergency Price Control Act, having joined the organization as senior economist. Except for a period of service overseas in the armed forces, he has continued with the Office of Price Administration. Mr. Manuel's contribution has been most valuable to the rent program. Based upon his background and his experience gained in working with the program, he is particularly fitted for the job that he now performs.

Roderick H. Riley, economist, Director of Research

Education: University of Wisconsin, bachelor of arts, master of arts, doctor of philosophy.

Previous experience: 1939-41, economic expert and principal economic analyst, Department of Commerce; 1938-39, assistant professor of economics, University of Cincinnati; 1937-38, economic adviser to Representative Amlic, House of Representatives; 1936-37, assistant in economics, University of Wisconsin; 1935-36, assistant professor of economics, University of Texas; 1933-34, research assistant to Senator La Follette, United States Senate.

Lcander B. Lovell, assistant price executive, CAF-14, Lumber Branch, Price Department, OPA, Washington, D. C.

September 9, 1946-present: Assistant price executive, Lumber Branch, CAF-14. At present on temporary detail to the records management office for the purpose of analyzing and selecting Price Department material to be sent to the Archives. Mr. Lovell has received reduction-in-force notice effective February 28, 1947.

June 3, 1946-September 9, 1946: Assistant price executive, Rubber Chemicals and Drugs Branch, Price Department.

October 1, 1944-June 3, 1946: Supervising price analyst, Nonferrous Metals Branch, Price Department, CAF-14.

July 26, 1943-October 1, 1944: Head business economist, Economic Analysis Branch, Textile, Leather and Apparel Price Division, P-7.

March 11, 1943-July 26, 1943: Price executive, Manufactured Articles Branch, Price Department, CAF-13.

February 16, 1942-March 11, 1943: Chief of the Wool and Wool Products Sections, Price Department, CAF-13.

October 1, 1940-February 16, 1942: Senior economist, Price and Government Controls Unit, Economic Section, Consumer Protection Division, Counsel of National Defense.

March 1936–October 1940: Economist, Division of Trade Agreements, State Department, Washington, D. C.

June 1935–March 1930: Economist, Division of Research, NRA, Washington, D. C.

September 1929–February 1931: Commercial representative and commercial engineer, New England Telephone and Telegraph, Boston, Mass.

September 1928–May 1929: Teacher, Storm King School, Cornwall on Hudson, N. Y.

Education: Oberlin College, Oberlin, Ohio. 1924–28; University of Wisconsin, Madison, Wis., 1931–33—master of arts, bachelor of arts; Northeastern University, Boston, Mass.; American University, Washington, D. C.

Here also is Miss Esther Franklin, at \$8,479.

Mr. McCULLOUGH. She is not there.

The CHAIRMAN. She is eliminated?

Mr. McCULLOUGH. We have eliminated the advisory activities.

The CHAIRMAN. She is off the roll now?

Mr. McCULLOUGH. Yes.

Mr. WIGGLESWORTH. Where is she, do you know?

Mr. McCULLOUGH. I think she is still in Washington.

Mr. WIGGLESWORTH. On some Government pay roll?

Mr. McCULLOUGH. No, sir. She is going to be a housewife, she says. Her husband, I think, is in the Army.

Mr. WIGGLESWORTH. Here is S. McClellan Butt. Has he still got a job there?

Mr. CARSON. He went off on January 29.

BACKGROUND OF PERSONNEL IN OPERATIONS DIVISION ASSIGNED TO - EMPLOYMENT SERVICE

Mr. ENGEL. I wonder if we can have the qualifications of all the people on this committee of 67, a list of the persons in the Operations Division assigned to the Employment Service on January 8, 1947.

I wonder if we could get their experience, what their experience has been and what their duties are?

Mr. McCULLOUGH. If we can get the names we will be glad to submit what you request.

(The information requested is as follows:)

Reference was made to the "list of personnel in operating divisions assigned to employment services January 8, 1947."

The employees to whom reference was made were carrying at the time this list was compiled and continued to carry their responsibilities as full-time employees in the positions which are indicated on the attached list. Their duties in their respective capacities were concerned with the discharge of the essential tasks of the Office of Price Administration.

During the time when a large number of national office employees were being terminated, the individuals referred to on the January 8 list were points of contact within their respective branches or units for those persons subject to reduction in force who were seeking other employment. This consultation was provided by the employees included in the attached list in addition to their discharge of their regular duties.

A study of this list will reveal that a very large number of the employees included in the list came to the Government from private industry, as did a substantial number of the employees being released from the agency during this period of time. It was for this reason that these individuals were selected to counsel employees affected by the agency's reduction in force.

This consultation served two useful purposes: First, it resulted in the placement of a large number of employees prior to the expiration of their 30-day active duty notice and hence effectuated a saving to the Government; and, second, it served to return to private industry a maximum number of employees who had been drafted from private industry by the Government during the war years.

It will further be noted that most of the employees included in this list were themselves completing their work with the agency and most of them have subsequently left the agency.

Raymond F. Pelissier, price analyst, Consumer Goods Price Division

Education: Bachelor of Science, Massachusetts State, 1933; Master of Science, Massachusetts State, 1938 (agricultural economics); 1 year, Harvard University School of Business Administration; one-half year, Harvard University Graduate School of Arts and Sciences.

Previous experience: 1 year, Navy Department, administrative analyst and classification analyst; 6 years, Agriculture Adjustment Administration, administrative assistant and executive assistant; 2 years, Federal Government, assistant specialist.

This person has left the employment of the agency.

June E. Basham, assistant to price executive, Consumer Goods Price Division

Education: 1 year, Trinity University; Federal Institute—Commercial.

Previous experience: 6 years, clerical; 2½ years selling in department stores.

Termination notice has been given this employee.

John W. Devereaux, price analyst, Consumer Goods Price Division

Education: Business college, Northwestern University; Business Law and Corporate Finance; Central YMCA, marketing management; graduate courses at George Washington University, Department of Agriculture.

Previous experience: 2½ years, WPB, industrial specialist; 29 years with Engineering-Management Corporation, Chicago, Ill.

Termination notice has been given this employee.

Bleeker P. Seaman, price analyst, Price Department

Education: 2½ years chemical engineering, Cornell University, Ithaca, N. Y.

Previous experience: 1941–46, commander, United States Naval Reserve, assistant director, records and transportation activity, Navy Department; 1940–41, building contractor, Arthur Dorff Co.; 1937–40, management engineer, Culver, Holliday & Co.; 1932–37, engineer, Glenn Falls Indemnity Co.; 1921–32, construction superintendent and architectural contact, Walker & Murphy, Inc.; 1919–28, owner, real-estate firm.

Termination notice has been given this employee.

Edith K. Harry, administrative assistant, Consumer Goods Price Division

Education: High school

Previous experience: One year, clerk typist, personnel office, OPA; 1 year, personnel clerk, OPA.

Termination notice has been given this employee.

Lewis Ortega, economist, Consumer Goods Price Division

Education: Bachelor of arts, economics, William Jewell College, Liberty, Mo. 48 graduate hours in economics, American University, Washington, D. C.

Previous experience: Three years as newsboy and assistant circulation manager, Borger Daily Herald, Borger, Tex.; 4 years as construction worker in petroleum, carbon and gas companies in Texas; 4 years as assistant in Spanish at William Jewell College; 1 year as assistant manager, book store and post office, American University; 2 years, priorities analyst and expeditor, United States Maritime Commission.

This person has left the employment of the agency.

Glenn E. Thompson, administrative assistant, Consumer Goods Price Division

Education: Bachelor of Science, State Teachers College, Buffalo, N. Y.; psychology.

Previous experience: 4 years, clerk, Sears, Roebuck & Co., Buffalo, N. Y.; 2 years, teacher, Buffalo secondary school; 2 years, clerk, Census Bureau, Suitland, Md.; 1 year, clerk, Weather Bureau, Washington, D. C.

This person has left the employment of the agency.

Edith Strickland, administrative analyst, Consumer Goods Price Division

Education: Bachelor of arts, Radcliffe College; graduate work, American University, Washington, D. C.

Previous experience: 3 years, State Department, economist; 1 year, British Government, Royal Air Force delegation, Washington, D. C., secretary; 6 months,

secretary, Boston Center for Adult Education; 2 years, assistant secretary Radcliffe College.

Termination notice has been given this employee.

Valeria Hall, clerk-typist, Consumer Goods Price Division

Education: 1 year, Howard University, Washington, D. C.

Previous experience: 1 year, Civilian Production Administration, clerical; 1 year, Navy Department, clerk-typist.

This person has left the employment of the agency.

Jane Tashiro, clerk-typist, Consumer Goods Price Division

Education: 2 years, Florida State College for Women (1940-42).

No experience prior to OPA employment.

This person has left the employment of the agency.

Benjamin L. Felsten, economist, Solid Fuels Price Division (1942-47)

Education: Bachelor of arts, Brooklyn College (1942); graduate courses, social sciences and public affairs, American University, Washington, D. C.

Previous experience: None.

This person has left the employment of the agency.

Charlotte M. McLaughlin, economist, Consumer Goods Price Division

Education: Bachelor of arts, University of Washington, Seattle, Wash.; graduate courses, George Washington University; Latin-American history and Spanish at Inter-American Training School.

Previous experience: 3 years, Department of Commerce, economist; 1 year, part-time as adviser on price matters, determining basis for prices for restaurants and bakeries to Dallas Gray, manager, Service Bureau, San Francisco, Calif.; 6 months, clerical, Department of the Interior; 6 months, clerical, Veterans' Administration.

This person has left the employment of the agency.

Lillian E. Nobles, price analyst, Consumer Goods Price Division

Education: Bachelor of science, Teachers College, Columbia University, textiles and clothing.

Previous experience: 1½ years, Edgerton Studios, owner (work designing, making garments of new fabrics); 8 years, Edgerton Studios, owner, laboratory for testing textiles and analyses of tests; 1 year 4 months, Associated Dry Goods Corp.; organizer and director of Bureau of Standards; 2 years 9 months, training department, James McCreery & Co.; 4 years, instructor, foods and cooker and textiles and clothing, high school.

This person has left the employment of the agency.

Edward A. Shepherd, cost accountant, Accounting Department

Education: Bachelor of arts, University of Maryland.

Previous experience: 1940-42, assistant secretary-treasurer, College Estates, Heights Estates, Inc.; 1932-40, accountant, General Electric Co., Bridgeport, Conn.; 1929-31, accountant, Chesapeake & Potomac Telephone Co., Baltimore, Md.

This person has left the employment of the agency.

Norman Hugh McDiarmid, Assistant Director, Industrial Price Division

Education: Bachelor of arts, Swarthmore College.

Previous experience: 1940-42, district field manager, Royal Typewriter Co.; 1939-40, assistant to the president, Saccore, Speed & Jenney; 1937-39, assistant to sales manager, G. H. Mumm Champagne; 1936-37, assistant buyer, R. H. Macy & Co.

This person has left the employment of the agency.

L. Seth Schnitman, Assistant Director, Transportation and Public Utilities Branch

Education: Bachelor of philosophy, Yale University; bachelor of laws, Georgetown Law School.

Previous experience: 1936-41, consulting economist New York City; 1930-37, chief statistician and economist, F. W. Dodge Corp., New York, N. Y.; 1921-30, Statistician and economist, United States Department of Commerce.

This person has left the employment of the agency.

Jacob Strongwater, price analyst, Consumer Goods Price Division

Education: City College of New York, 2½ years.

Previous experience: 1946, Nancy Turcker, Inc., New York City, general manager; 1941-45, self-employed, New York City, resident buyer for out-of-town manufacturers; 1940-41, Norjac Manufacturing Co., New York City, president; 1939-39, Albrook Frocks, New York City, owner; 1937-38, Fanette Frocks, New York City, president; 1923-36, Lane Bryant, Inc., New York City, buyer; 1922-23, New York Waist Stores, merchandise manager.

This person has left the employment of the agency.

William A. Molster, price executive, Leather, Fur, and Fibers Price Branch, Consumer Goods Price Division

Education: Bachelor of Laws, 1939, National University, Washington, D. C.

Previous experience: 1939-42, Department of Labor, Bureau of Labor Statistics, Richmond, Va., Atlanta, Ga., Washington, D. C.; Assistant to Director of Defense Housing Survey; 1937-38, Associate Investment Co., Washington, D. C., new business representative; 1932-37, Packard-Washington Motor Car Co., Washington, D. C., wholesale manager; 1929-32, Lambert-Hudson Motor Co., Washington, D. C., salesman; 1925-27, National City Bank of New York, New York City, bookkeeper.

This person has left the employment of the agency.

Bradley Patterson, price analyst, Consumer Goods Price Division

Education: High school education.

Previous experience: 1937-42, director of services, American Institute of Finance, Boston, Mass.; 1934-37, assistant editor, Poor's Publishing Co., Wellesley Hills, Mass.; 1931-34, various short periods of employment; 1925-31, director of services, American Institute of Finance, Boston, Mass.; 1924-25, statistician, Schimen, Atherton & Co., Boston, Mass.; 1919-24, assistant editor, Babson's Statistical Organization, Wellesley Hills, Mass.

This person has left the employment of the agency.

Everett H. Johnson, price analyst, Office of Deputy Administrator for Price

Education: Bachelor of arts, DePauw University; master of arts, University of Detroit; doctor of philosophy, University of Michigan.

Previous experience: 1939-42, University of Michigan, lecturer and research associate; 1929-39, Detroit University, instructor.

This person has left the employment of the agency.

Harry W. Gresenger, price analyst, Consumer Goods Price Division

Education: City College of New York, 3 years.

Previous experience: 1932-43, A. S. Sands Co., New York City, owner; 1928-32, A. S. Sands Co., New York City, partner; 1924-28, Gerseta Corp., New York, general technician.

This person has left the employment of the agency.

Hallock P. Snell, analyst, Employment Security Group

Education: High school.

Previous experience: 5 years, examiner, Federal Tender Board, Department of the Interior; 4 years, clerk, Department of the Interior.

Termination notice has been given this employee.

Hilda M. Weinerth, clerk-stenographer, Consumer Goods Price Division

Education: High school, shorthand, office practice.

Previous experience: 6 years as secretary, Ithaca Credit Association, Ithaca, N. Y.

This person has left the employment of the agency.

Richard Gilman, price analyst, Building and Construction Price Division

Education: High school, business administration.

Previous experience: 3 years, United States Army, construction foreman; 1 year, War Department, United States Engineers, assistant engineer; 1 year, Navy Department, assistant engineer; 10 years, carpenter and foreman (over-all supervision; drawing up of estimates for residential and commercial work), S. Gilman, general contractors.

Termination notice has been given this employee.

Victor A. Salloway, business analyst, Consumer Goods Price Division

Education: 3½ years, liberal arts, Wesleyan University, Middletown, Conn.

Previous experience: 20 years, stock and blending department, American Woolen Co., Mainard, Mass., mills superintendent; 12 years, self-employed, directed professional entertainment booking agency.

This person has left the employment of the agency.

William A. C. Connelly, economist, Transportation, Services, and Fuel Price Division

Education: Bachelor of arts, Louisiana State University, Baton Rouge, La.; 1 year graduate work at Louisiana State University.

Previous experience: 11 years, owner of tugboat and barge common carrier service, Baton Rouge, La.; 10 years, assistant to the manager, Federal Compress & Warehouse Co., West Memphis, Ark.; 1 year, cotton warehouse examiner, Department of Agriculture, Memphis, Tenn.; 1 year, transportation economist, Department of Agriculture, Washington, D. C.; 2 years, commissioned warrant officer, United States Navy.

This person has left the employment of the agency.

Joan E. Ricketts, administrative officer, Industrials Price Division

Education: Bachelor of arts, Muskingum College, New Concord, Ohio.

Previous experience: 2 years, secondary school teacher, Oil City, Pa.; 1 year, clerk, courthouse, Franklin, Pa.

Termination notice has been given this employee.

Ruth E. Cooper, administrative assistant, Office of Subsidy Operations, Price Department

Education: Bachelor of arts, Syracuse University; George Washington University; Department of Agriculture Graduate School.

Previous experience: 4 months, civil-service examiner, United States Civil Service Commission, Washington, D. C.; 6 months, statistical clerk, Bureau of Labor Statistics, Washington, D. C.

This person has left the employment of the agency.

Maud E. Custer, administrative officer, Price Legal Division, Price Department

Education: Bachelor of arts, Butler University, Jordan Conservatory of Music, 16 credits.

Previous experience: 2½ years, administrative assistant, Office of Strategic Services; 2 years 8 months, personnel clerk, Selective Service System; 6 months United States Civil Service Commission, clerk-typist; 2 years, Internal Revenue Detroit, Mich., deputy collector; 1 year, Department of Agriculture, Farm Security Administration, clerk-typist.

Termination notice has been given this employee.

Carlos Recker, Jr., price analyst, Consumer Goods Price Division

Education: Bachelor of philosophy, 1931, Brown University, economics; New York School of Interior Decoration, 4 months.

Previous experience: 2 years, interior decorator, partner with father, Indianapolis, Ind.; 11 months, Frank Dry Goods Co., Fort Wayne, Ind., assistant manager and head interior decorator; 2 years 8 months, The Hers Store, Terre Haute, Ind., assistant manager and interior decorator; 8 months, B. Altman & Co., New York, salesman, upholstery department; 4 years, John Wanamaker, New York, assistant buyer, upholstery department; 2 years, Sander & Recker Furniture Co., salesman.

Termination notice has been given this employee.

James M. Ramsey, cost accountant, Accounting Department

Education: Extension course, business administration and accounting.

Previous experience: 18 months, internal auditor, private industry; 2 years, FPMA, senior field accountant; 3 years, WPA, director of finance; 3 years, Commonwealth of Pennsylvania, special systems accountant; 3 years, Budget Bureau.

Termination notice has been given this employee.

Jerome S. Lieberman, assistant director, Consumer Goods Price Division

Education: Harvard College, bachelor of science.

Previous experience: 1935-42, security analyst and economist, Benjamin Hill Co., New York, N. Y.; 1932-34, sales manager, Plymouth Rubber Co., New York, N. Y.; 1929-31, assistant statistician, Bamberger Bros., New York, N. Y.; 1928-29, clerical work, De Cappel & Doremus, New York, N. Y.

Termination notice has been given this employee.

Simon Zeller, price analyst, Solid Fuels Price Branch

Education: University of Illinois, 2 years.

Previous experience: 1935-43, price examiner, Bituminous Coal Division, Department of the Interior, Washington, D. C.; 1922-34, in charge of operations of mines, Knox Consolidated Coal Corp., Indianapolis, Ind.; 1920-22, assistant manager, American Coal Manufacturing Co., Indianapolis, Ind.; 1928-34, vice-president in charge of operations, Brazil Clay Co., Brazil, Ind.; 1914-20, manager, Turner Coal Co., Brazil, Ind.

Termination notice has been given this employee.

John W. McKenzie, accountant, Shoe and Leather Accounting Section

Education: Northeastern University, accounting, commercial law, business management; Burdett College, Boston, bookkeeping and accounting.

Previous experience: 1942-44, War Department, Boston, Mass., Quartermaster Corps, accountant; 1938-42, Shetucket Worsted Co., Baltic, Conn.; 1934-38, Saxony Corp., Norwich, Conn., cost and production supervisor; 1929-33, American Woolen Co., production engineer; 1922-27, United States Rubber Co., production engineer.

Termination notice has been given this employee.

Joseph A. Murray, cost accountant, Accounting Department

Education: City College, business, York, Pa., 2 years.

Previous experience: 1942-44, section chief, War Production Board; 1941-42, cost accountant, OPA; 1940-41, specialist, Tower-Crossman Corp.; 1933-40, system specialist, The C. E. Sheppard Co.; 1912-33, bookkeeper-comptroller-vice president, general manager, Keystone Roofing Manufacturing Co.

Termination notice has been given this employee.

Charles T. Sweeney, cost accountant, Accounting Department

Education: Bachelor of science degree, Cornell University; master of business administration, Ann Arbor, Mich.; certified public accountant certificate from Iowa and Ohio.

Previous experience: 1935-40, self-employed, public accountant, Springfield, Ohio; 1930-35, instructor, accounting and economics, Iowa State College; 1928-30, auditor and office manager, Michigamme Oil Co., Ann Arbor, Mich.

Termination notice has been given this employee.

Philip Kemon, cost accountant, Accounting Department

Education: Courses in Federal, civil, and criminal law, Department of Justice.

Previous experience: General Accounting Office, 10 years, fiscal accountant, auditor, and investigator; Department of Justice, FBI, 4 years, special agent.

Termination notice has been given this employee.

John S. Spencer, accountant, Accounting Department

Education: High School, 2 years; college, 2 years accounting.

Previous experience: 8 months, General Accounting Office, principal auditor; 3 years, Firestone Tire & Rubber Co., office manager; 3 years, HOLC, assistant supervising auditor.

Termination notice has been given this employee.

Harold J. Philip, accountant, Accounting Department

Education: Bentley School of Accounting and Finance Economics, American University.

Previous experience: 9 years, assistant treasurer RCA Victor Co., Massachusetts; 9 years, office manager, William B. Deirgin Co., silverware manufacturing.

Termination notice has been given this employee.

James F. Wooster, associate price executive, Building and Construction Price Division

Education: Syracuse Technical High School, 1 year; International Correspondence School, 2 years.

Previous experience: 1941-46, executive officer, United States Army; 1921-41, sales manager Wilson & Greene Lumber Co.

Termination notice has been given this employee.

Vera Keliher, business analyst, Consumer Goods Price Division

Education: Bachelor of Arts, George Washington University; Master of Arts, American University.

Previous experience: 1937-39, inspector, Railroad Retirement Board; 1922-33, assistant to the public relations director, Motion Picture Producers and Distributors of America, New York City.

Termination notice has been given this employee.

Andrew Anthony, Jr., administrative officer, Price Department

Education: Colby College, Waterville; Maine, English, 2 years; Columbus University, Washington, D. C., bachelor of laws.

Previous experience: 1934-43, Assistant Director, Project Control Division, Work Projects Administration, Washington, D. C., 1931-34, assistant to the president, Ridgeway Construction Co.; 1930-31, subscription specialist, stocks and bonds, American Telephone & Telegraph; 1928-30, clerk, Treasury Department.

Termination notice has been given this employee.

Sidney J. Grossman, commodity specialist, Building and Construction, Price Division

Education: Bachelor of science, Cornell University; correspondence studies with Massachusetts State and University of Mississippi.

Previous experience: 1938-43, forester, United States Forest Service, Department of Agriculture; 1938, field assistant, Northeastern Forest Experiment Station; 1937-38, lumber camp clerk, William Bonifer Lumber Co.

Termination notice has been given this employee.

Frank S. Ketcham, attorney, Executive Department

Education: Bachelor of arts, Williams College, Williamstown, Mass., bachelor of laws, Columbia University Law School.

Previous experience: 1943, regional manager, Office of Lend-Lease Administration, Washington, D. C.; 1941-43, chief counsel, Chemicals and Drugs Branch, OPA, Washington, D. C.; 1938-41, attorney, Cohen, Cole, Weiss & Wharten, New York, N. Y.; 1937-38, attorney, Larkin, Rathberie & Perry, New York, N. Y.; 1936, White & Case, New York, N. Y.

This person has already left the employment of the agency, except for the fact that he is being held for recall on a when-actually-employed basis.

Roderick M. Gillies, executive officer, Price Department

Education: University of North Carolina, Chapel Hill, N. C., 1929-30; Strayer College, Washington, D. C., 1936-39, bachelor of commercial science; Columbus University, Washington, D. C., 1939-42, bachelor of law.

Previous experience: 1942-43, employee relations officer (assistant to) Federal Works Agency; 1935-42, administrative officer, Works Projects Administration.

This person has already left the employment of the agency, except for the fact that he is being held for recall on a when-actually-employed basis.

Allen Coe, Division Director, Building and Construction Price Division

Education: Bachelor of arts, 1921-26, George Washington University; bachelor of laws, 1926-29, George Washington University.

Previous experience: 1940-42, General law practice, Washington, D. C.; 1935-40, chief legal adviser, Consumers Counsel, Bituminous Coal Division, Washington D. C.; 1933-35, attorney for number of service trade codes, NRA, Washington, D. C.; 1925-33, editor, Children's Bureau, United States Department of Labor, Washington, D. C.

Termination notice has been given this employee.

Coy Wayne Powell, field representative (administrative officer)

Education: High school.

Previous experience: 1944-45, special representative and business manager, Foreign Economic Administration; 1942-44, OPA administrative officer; 1936-42, Bituminous Coal Division, Interior Chief, Services Section; 1934-36, Veterans' Administration, clerical.

This person is in a continuing position in Administrative Services Division.

Edward C. Welsh, Assistant Commissioner for Price

Education: Bachelor of Arts degree, Lafayette College, Easton, Pa.; Master of Arts degree, Tufts College, Medford, Mass.; doctor of philosophy, Ohio State University, Columbus, Ohio.

Previous experience: 1934-42, teaching, economics department, Ohio State University; 1930-34, teaching, economics, Tufts College, Medford, Mass.

This person will be in Policy Analysis Branch.

Milton Quint, Director, Consumer Goods Price Division

Education: Boston University, College of Business Administration, 2 years; Boston University, bachelor of laws.

Previous experience: 1930-42, attorney, self-employed, Boston, Mass.

This person will be in policy analysis work.

Thelma K. Rodice, administrative assistant, Price Department, Sugar Rationing Division

Education: Stewart's Business College, secretarial course, 1926-27.

Previous experience: 1935-40, Federal Works Agency, secretary to assistant counsel; 1933-35, National Recovery Administration, secretary.

This person is in a continuing job in Sugar Rationing Division.

Barbara P. Bradfield, administrative assistant, Research Division

Education: Bachelor of Arts, University of Texas, 1942; Master of Arts, University of Texas, 1944 (psychology).

Previous experience: None.

This person is in a continuing job in Research Division.

Genevieve C. Holland, jurisdiction analyst, Consumer Goods Price Division

Education: South Dakota State College, course in shorthand, 1937.

Previous experience: 1941-42, Veterans' Administration, clerk-stenographer; 1938-41, South Dakota State College, Brookings, S. Dak., secretary; 1937-38, United States Forest Service, clerk.

This person has left the employment of the agency.

William H. Moor, Jr., cost accountant, Employment Security Group

Education: 1 year Cornell University; 1 year University of Michigan; bachelor of commercial science, Benjamin Franklin University, accounting, 1937; master commercial science, Benjamin Franklin University, accounting, 1938.

Previous experience: 8 years, Reconstruction Finance Corporation, clerical; 1 year, Union States Life Insurance Co., special representative, Portland, Oreg.; 7 years, general real-estate business, Toledo, Ohio; 1½ years, paying and receiving teller, City Savings Bank, Toledo, Ohio; 1½ years, savings teller, Dime Savings Bank, Toledo, Ohio.

This person is in a continuing job in Accounting Department.

Agnes C. Gervais, clerk-stenographer, Industrials Price Division

Education: High school.

Previous experience: 3 years, stenographic, Marshall, Minn.

This person is being transferred to continuing job in Public Records.

Benjamin Freidson, attorney, Building and Construction Price Division.

Education: Bachelor of laws, National University; graduate work in law, economics, government and foreign service at National University and Georgetown University.

Previous experience: 1928-41, Interstate Commerce Commission, examiner.

This person transferred to a continuing position in Office of General Counsel.

Gordon E. McCloskey, head information specialist, Information Department.

Education: Lock Haven State Teachers College (Pennsylvania.), bachelor of science; Columbia University, master of arts, doctor of philosophy.

Previous experience: 1936-42, professor of economics, Alabama College; 1934-36, economics teacher, Ridgewood High School, Ridgewood, N. Y.; 1932-34, research associate, Teachers College, Columbia University, New York, N. Y.; 1931-32, research in school finance, National Survey School Finance, Washington, D. C.; 1928-29, principal and teacher of social studies, Duke Center School, Duke Center, Pa.

This person is in a continuing position in Information Department.

George W. Moore, program and budget analyst, Office of Budget and Planning

Education: John Carroll University, special course in philosophy; Cleveland College, 6 months studying production control and industrial accounting.

Previous experience: 1927-42, salesman, W. A. Helms, Inc. (Shaw Walker Co.); Cleveland, Ohio; 1923-27, salesman, Library Bureau, Inc., Cambridge, Mass.; 1921-23, system serviceman, Tabulating Machine Co. (IBM), Cleveland, Ohio; 1919-21, cost clerk, Cleveland Hardware Co., Cleveland, Ohio.

This person is in a continuing position in Office of Budget and Planning.

Herbert Hendley, cost accountant, Accounting Department.

Education: Grammar school.

Previous experience: 1933-44, operated own business, preparing statistical records for bank executives; 1918-33, Crompton & Kramles Loom Works, chief cost accountant; 1904-18, bookkeeper and public accountant for a number of manufacturing companies.

Termination notice has been given this employee.

Lucille Forcer, administrative officer, Executive Department, Office of the Administrator.

Education: University of Texas, bachelor of arts, 1936; University of California, master of arts, 1938.

Previous experience: 1942, Prince Georges County schools, teacher; 1941, North American Aviation, Inc., secretary (3 months); 1941, University of California, test assistant (6 months); 1938-40, Francis Bacon Foundation, research assistant.

This person has left the employment of the agency.

Filomena Macahilig, procedural analyst, management staff, Administrative Services.

Education: University of California at Los Angeles, Los Angeles, Calif., junior certificate, 1933; University of California, bachelor of arts, 1940, and master of arts, 1942.

Previous experience: 1945-47, UNRRA, classification analyst; 1944-45, War Manpower Commission, occupational analyst; 1943-44, C. R. Daniels, Inc., manufacturing of canvas goods, operator and assistant leadman; 1942-43, Cale of California, Inc., parachute cutter.

This person is in a continuing position in Administrative Services Division.

Maria Delores Astarbi, administrative officer, Food Price Division

Education: High school graduate; advertising, typography.

Previous experience: 11 years in publishing field (retain trade journals, book publishers), editorial assistant, copy writing, editing, news gathering.

Termination notice has been given this employee.

Leon R. Cantor, attorney, Enforcement Department

Education: Bachelor of laws, Newark University Law School; bachelor of arts, history and political science, Rutgers University; course in postwar public-private housing, New School for Social Research, New York City.

Previous experience: Private practice of law, New Jersey, 2 years; attorney with law firm, Chazin & Chazin, New York, 1 year.

This person is in a continuing position in Enforcement Department.

Milton Herman, business specialist, Consumer Goods Price Division

Education: Master of science, New York University; bachelor of science, Ohio State University.

Previous experience: Sales agent, wholesale furniture field, assistant to general merchandise manager, the Polsky Co.

This person has left the employment of the agency.

Mary Marchitelli, administrative aide, Consumer Goods Price Division

Education: High school.

Previous experience: None prior to OPA.

This person has left the employment of the agency.

Bertram Scymour Kossar, administrative officer, Consumer Goods Division

Education: Bachelor of arts, Cornell University; course in Japanese, Stanford University, A. S. T. P.

Previous experience: United States Army, 4 years; assistant to department manager, textile company, 2 years; trainee, merchandising, department store, 7 months; clerical-bookkeeping, 1½ years.

This person has left the employment of the agency.

Milton J. Feldman, Chief, Placement Service, Office of Personnel

Education: Bachelor of science, University of Illinois; graduate courses, personnel and public administration at American University and Department of Agriculture graduate school.

Previous experience: Chief of Qualifications Examining, United States Civil Service Commission, 3 years.

This person is in a continuing position in Office of Personnel.

Roderick Riley

See qualifications listed *supra*.

This employee is completing a study of importance to the Government. He will be separated by March 31.

OPA OBLIGATIONS SEPTEMBER AND JANUARY

Mr. WIGGLESWORTH. Mr. McCullough, I did not get in here at the outset this morning, and I wanted to get a little clearer picture, if I could. Let us go back to September 30, 1946, before these various activities were discontinued. How much did you spend in that month?

Mr. McCULLOUGH. In the month of September?

Mr. WIGGLESWORTH. Yes.

Mr. LLEWELLYN. The total obligations for the month of September were \$11,027,884.

Mr. WIGGLESWORTH. What did you estimate it for January, 1947?

Mr. LLEWELLYN. \$6,772,949.

ACTUAL EMPLOYMENT COMPARED WITH PREVIOUS ESTIMATE

Mr. WIGGLESWORTH. I have a break-down here entitled "Office of Price Administration. Estimate of employment, fiscal year 1947," broken down in 10 items. The first item is "Price," where you have as of September 30, 1946, 1,521 in the national office, 4,807 in the field, or a total of 6,328.

Mr. McCULLOUGH. We never quite equaled that employment.

Mr. WIGGLESWORTH. What was it?

Mr. LLEWELLYN. That was the projection we brought up here in June.

Mr. WIGGLESWORTH. What was the employment in that month?

Mr. McCULLOUGH. The actual employment at the end of September in the price activity was 1,373 in the national office and 4,131 in the field, or a total of 5,507.

Mr. WIGGLESWORTH. What was the employment in the month of January for that same activity?

Mr. McCULLOUGH. In price activity, the total employment was 477 in the national office and 361 in the field, or a total of 838. And as I indicated this morning, we closed out the price department at the end of January, transferring 55 people for completion of the subsidy work to another office.

Mr. WIGGLESWORTH. So that as of now that force of 5,507 is gone from your rolls, except 53; is that right?

Mr. McCULLOUGH. It is 55, I believe. There are individuals, undoubtedly, Mr. Wigglesworth, who were included in this 5,507 who are employed in some other part of the Office of Price Administration. When so employed, they were employed only to fill vacancies that existed and were considered to be better prospects for those jobs than going outside and trying to get entirely new people.

Mr. WIGGLESWORTH. The next item is rationing. According to my break-down here, you have a total of 1,312 on September 30. What was the actual employment as of September 30?

Mr. LLEWELLYN. The employment in personnel devoted to sugar—

Mr. WIGGLESWORTH. What was the total employment September 30th under rationing?

Mr. McCULLOUGH. Two thousand, two hundred and ninety-eight in total.

Mr. WIGGLESWORTH. And how many on January 30?

Mr. McCULLOUGH. Two thousand, one hundred and fifty-two. That is the national office and field.

Mr. WIGGLESWORTH. In other words, you have made practically no reduction in your rationing personnel.

Mr. McCULLOUGH. You mean since September?

Mr. WIGGLESWORTH. Yes.

Mr. McCULLOUGH. There has been an addition to that which shows here. We do not have the services of those clerks who were located in local boards, who were not issuing sugar rationing currency but who were giving out forms and information to consumers and to the trade applying at the boards.

Mr. WIGGLESWORTH. The comparable figures shows only a reduction of 146?

Mr. McCULLOUGH. That is correct.

Mr. WIGGLESWORTH. What was the rent employment on September 30?

Mr. McCULLOUGH. For the national office and the field, 5,630.

Mr. WIGGLESWORTH. What was it on January 30?

Mr. McCULLOUGH. The estimate is 6,774.

Mr. WIGGLESWORTH. That shows an actual increase of 1,144 for that activity?

Mr. McCULLOUGH. That is correct; yes, sir. I would like an opportunity, whenever you would like, to identify the reasons for that increase.

Mr. WIGGLESWORTH. Let us run down this table first. The next is the enforcement item.

Mr. McCULLOUGH. The employment at the end of September or the 1st of October was 7,435.

Mr. WIGGLESWORTH. It shows here as 10,215.

Mr. McCULLOUGH. That was the projection. In June we had expected, with all of the programs continuing, it would take that size of an enforcement staff. We never reached that.

Mr. WIGGLESWORTH. The actual figure was 7,000 and what?

Mr. McCULLOUGH. Seven thousand four hundred and thirty-five.

Mr. WIGGLESWORTH. What was it as of January 30?

Mr. McCULLOUGH. Two thousand seven hundred and three.

Mr. WIGGLESWORTH. What was it in accounting?

Mr. McCULLOUGH. At the end of September, it was 1,346 total, and, at the end of January, 514.

Mr. WIGGLESWORTH. What about the Price Control Boards?

Mr. McCULLOUGH. We had at the end of September 7,932 and none at the end of the year.

Mr. WIGGLESWORTH. Price control management?

Mr. McCULLOUGH. We had 1,054 in September and none at the end of the year.

Mr. WIGGLESWORTH. What about Information?

Mr. McCULLOUGH. In Information, we had 363 at the end of September and 54 on the 1st of February.

Mr. WIGGLESWORTH. And in Executive?

Mr. McCULLOUGH. We had 688 at the end of September and 298 on the 1st of February.

Mr. WIGGLESWORTH. I am not clear on that item. What does that include?

Mr. McCULLOUGH. We have the Commissioner's office and we had in September an advisory staff of 46 people in the national office and 102 in the field.

Mr. WIGGLESWORTH. In what office?

Mr. McCULLOUGH. In the advisory offices. As you recall, the legislation last year provided for a labor adviser and a consumer adviser and the office had in addition to those a veterans' adviser and a relations adviser, and there were 46 and 102, or a total of 148 in that activity, with 2, I believe, on the 1st of February.

Congressional relations and the handling of the Administrator's correspondence is another section in the executive activity.

Then we have an office of administrative hearings and we have an office of research. As I indicated this morning, that is a liquidating activity. It will be completed at the end of the first quarter and the residue was transferred to the office of public records.

The largest item in the executive activity is in the Office of the General Counsel, which includes the General Counsel's Office, court review, boards of review, and a unit called "Internal Intelligence," which is for the purpose of making personnel investigations. And at this point, if you would permit me to do so, I should like to attempt to make a little more clear than I was able to do this morning just why we need this staff in the General Counsel's Office on those boards of review. I have Mr. Carl Auerbach, our general counsel here.

Mr. WIGGLESWORTH. Before you get to that, we will take the final item here "Administrative management." What was the figure there?

Mr. McCULLOUGH. Two thousand four hundred and seventy-five on the 1st of October and 1,696 on the 1st of February. With respect to the 2,475 as well as the 1,696, a large number of employees which were charged in the Administrative Management Office, which you show on this spread sheet, Mr. Wigglesworth, were working on sugar rationing in the issuance of currency. Those people now appear in the sugar-rationing staff and it is for that reason, largely, that staff shows larger here now than it showed on this request we made in June.

RATE OF EXPENDITURES

Mr. WIGGLESWORTH. You told us this morning, if I understood it, you have spent \$73,300,000 in the first 6 months of the fiscal year.

Mr. McCULLOUGH. I believe that is correct.

Mr. WIGGLESWORTH. In other words, you spent during those 6 months at an annual rate of \$146,600,000.

Mr. LLEWELLYN. That is approximately correct, including the large liquidation item we had in December in liquidating terminal leave for the large number of people that were dropped at that time.

Mr. WIGGLESWORTH. What percent of your expenditure is reflected in your price activities prior to the discontinuance of the most of them?

Mr. LLEWELLYN. I do not have that particular figure, but this is the cost up to date.

Mr. McCULLOUGH. If you would like, I think we could take our submission of June, Mr. Wigglesworth, which gives you a very good indication, I think.

Mr. WIGGLESWORTH. As I recall it, you were given \$101,000,000 with the understanding, if the legislation which was subsequently to be enacted made it necessary, you could obligate each quarter on the basis of \$142,000,000 for the fiscal year.

Mr. McCULLOUGH. That was \$142,000,000, if I am not mistaken, plus the July 1 pay increase, which brought the total to \$157,700,000. If I am not mistaken, that was the authorized rate of expenditure.

Mr. LEWELLYN. That is correct. The appropriation language also provided for the liquidation cost which might occur at any time. In those cumulative figures up to December 31, you have a fairly substantial liquidation item. The rate of spending even in the first 6 months was substantially less than the maximum figure allowable under the terms of the legislation.

Mr. WIGGLESWORTH. But, as a matter of fact, you obligated practically up to that limit during the first 6 months, despite the elimination of all of these activities, did you not?

Mr. LEWELLYN. The allowable rate, including the Pay Act, which was mentioned in the law, was \$157,700,000. The \$142,200,000 was exclusive of the cost of the Pay Act. That particular item was recognized in the legislation and the allowance was a rate not to exceed \$142,200,000 exclusive of the cost of the Pay Act.

Mr. McCULLOUGH. There were, of course, very heavy nonrecurring expenditures in that first half year, chiefly the payment of the lump-sum annual leave of a very large number of employees—all of the Board employees, as a matter of fact, 7,000 local board employees plus something over 1,000 Board Management employees, plus a large number of the price programs and their staffs, which was terminated at the end of the year.

Mr. WIGGLESWORTH. What would your annual rate of expenditure be on the basis of December, leaving out those costs you just referred to?

Mr. McCULLOUGH. You mean if you eliminate the nonrecurring expenditures, Mr. Wigglesworth?

Mr. WIGGLESWORTH. If you eliminate the liquidation expenses you referred to.

Mr. LEWELLYN. It would be about \$70,000,000 on the basis of the January expenditure.

Mr. McCULLOUGH. We can give you that by analyzing these figures. We have for December here total obligations of something over \$16,000,000, whereas January is only \$6,700,000. Obviously the large difference there is these nonrecurring items.

Mr. WIGGLESWORTH. I wish you would take that September expenditure, when you fix up your remarks, and break it down so that we can see how many dollars and what that percentage represented for each one of those items in September, and perhaps give us the same thing for the month of January.

Mr. McCULLOUGH. All right, sir. I think it is accurate to say that for no month of the 7 months in which we have been operating have we run at a rate exceeding the amount that the Congress authorized us to spend at, except for the month of December.

Mr. WIGGLESWORTH. If necessary.

Mr. McCULLOUGH. Yes. And I say we have run considerably under for most of that period of time, as a matter of fact.

Mr. LLEWELLYN. If I may say so at this time, Mr. Wigglesworth, we have submitted all of this material (15 copies) to the committee. Some of that material gives you rather clearly the savings that have been accomplished and comparative tables to reflect the decreased employment over what was anticipated, and the decrease in cost over what was anticipated.

(The information is as follows:)

Office of Price Administration functions, Office of Temporary Controls, projection of obligations by month, fiscal year 1947

	Total duty status costs	Terminal leave	Total, personal services	Other objects	Total obligation for month	Cumulative obligations
July 1946.....	\$9,245,211	\$429,006	\$9,674,217	\$1,595,480	\$11,269,697	\$11,269,697
August 1946.....	9,145,292	4,403	9,149,695	1,936,709	11,086,404	22,356,101
September 1946.....	9,195,355	7,005	9,202,360	1,825,524	11,027,884	33,383,985
October 1946.....	10,292,415	47,485	10,339,900	2,201,668	12,541,568	45,925,553
November 1946.....	8,228,922	986,577	9,215,499	1,830,584	11,046,083	56,971,636
December 1946.....	7,530,716	¹ 7,452,150	¹ 14,982,866	1,395,876	¹ 16,378,742	73,350,378
January 1947.....	4,844,020	951,893	5,795,913	977,036	6,772,949	80,123,327
February 1947.....	4,535,068	275,097	4,810,165	899,247	5,709,412	85,832,739
March 1947.....	4,363,034	345,393	4,708,427	873,947	5,582,374	91,415,113
April 1947.....	4,287,112	47,333	4,334,445	834,223	5,168,668	96,583,781
May 1947.....	4,273,630	30,016	4,303,646	828,779	5,132,425	101,716,206
June 1947.....	4,284,202	-----	4,284,202	824,532	5,108,794	² 106,825,000
Total.....	80,225,037	10,576,358	90,801,395	16,023,605	106,825,000	106,825,000

¹ Includes deferred terminal leave obligations of \$4,133,153, which will be payable as follows:

January 1947.....	\$2,078,689
February 1947.....	1,039,141
March 1947.....	654,914
April 1947.....	318,344
May 1947.....	42,065

² Funds transferred to FTC (\$125,000) not included.

PEAK EMPLOYMENT

Mr. WIGGLESWORTH. What was the peak of your employment during this fiscal year?

Mr. LLEWELLYN. 35,014 on October 15, I believe.

Mr. WIGGLESWORTH. You only estimated 33,800 last June.

Mr. LLEWELLYN. No. We estimated at that time 39,710 on September 30 and 39,752 on October 31. Actually we had a peak of slightly over 35,000 on October 15, so that we were running at that time about 4,000 less than our earlier projection.

Mr. WIGGLESWORTH. You have 13,172, I think you told us, in the field now, over all.

Mr. McCULLOUGH. I believe our February 1 estimate is 12,987. Actually——

NUMBER OF OPA OFFICES

Mr. WIGGLESWORTH. How many offices have you in the field now and of what character?

Mr. McCULLOUGH. We have eight regional offices for the continental United States.

Mr. WIGGLESWORTH. How many personnel in those eight regional offices?

Mr. LLEWELLYN. I do not believe we have that shown here.

Mr. McCULLOUGH. I would like to make this comment about that: I do not believe I have that information with me, but will be glad to give it to you for the record.

Mr. WIGGLESWORTH. Suppose you supply that for the record.

Mr. McCULLOUGH. Yes, sir.

Mr. LLEWELLYN. That is the number of regional office employees on what date?

Mr. WIGGLESWORTH. Right now.

Mr. McCULLOUGH. We consider all of the field offices other than regional offices, to be simply extensions of the regional offices. We eliminated the district offices so that we could reduce our manpower and our requirements to a very great extent; we had 66 district offices prior to price decontrol.

Mr. WIGGLESWORTH. What other offices have you now outside of those eight regional offices?

Mr. McCULLOUGH. We have 56 offices which are Sugar Branch offices.

Mr. WIGGLESWORTH. What is the personnel in those offices?

Mr. McCULLOUGH. I would be glad to supply that.

Mr. WIGGLESWORTH. What other offices have you?

Mr. McCULLOUGH. Twenty-two enforcement branch offices. These are located in the same places.

Mr. WIGGLESWORTH. How much personnel do you have in those offices?

Mr. McCULLOUGH. I will supply that for the record.

Mr. WIGGLESWORTH. In other words, you have 85 offices in the field, in addition?

Mr. McCULLOUGH. No, sir. As I say, these branch offices are simply extensions of the regional offices. The regional office is the operating office and these people are located in 56 centers.

Mr. WIGGLESWORTH. Well, they have to be located in an office, do they not?

Mr. McCULLOUGH. Yes.

Mr. WIGGLESWORTH. Whatever you call them, you have 8 regional offices, 55 Sugar Branch offices, and 22 enforcement offices, or a total of 85?

Mr. McCULLOUGH. The Enforcement Branch offices are in the same locations within the same cities as the sugar offices.

Mr. WIGGLESWORTH. Does that complete it?

Mr. McCULLOUGH. No, sir. We have in addition to that some 644 rent offices.

Mr. WIGGLESWORTH. And how many of those did you have in June last?

Mr. McCULLOUGH. I believe all but 100. I believe 100 have been added since then. We had approximately 547.

Mr. WIGGLESWORTH. You have 100 more than at the beginning of the fiscal year?

Mr. CARSON. There are at present 329 area rent offices and 315 branch rent offices.

Mr. WIGGLESWORTH. How does that compare with the beginning of the fiscal year?

Mr. CARSON. We will have to get that for the record.

Mr. WIGGLESWORTH. I wish you would supply that and, if there are any other offices that you have not mentioned, supply those, too.

Mr. LLEWELLYN. That is all, except the Territorial offices.

Mr. WIGGLESWORTH. Any offices of any kind outside of the Washington set-up that you have not mentioned, I wish you would supply.

Mr. McCULLOUGH. We have a ninth region which is Territories and possessions.

CATEGORIES OF OFFICES AND PERSONNEL ASSIGNED THERETO

Mr. WIGGLESWORTH. I wish you would give us a little table, when you fix up your remarks, that will show those five categories of offices and the personnel assigned to the classification in each case.

Mr. McCULLOUGH. Yes, sir.

(The information is as follows:)

Office of Price Administration, Office of Temporary Controls employment, Feb. 1, 1947, by office level

1. Total, national office.....	1, 432
2. Total, 9 regional offices.....	3, 655
3. Total, Territorial offices.....	73
4. 56 Sugar Branch offices.....	1, 253
5. 22 Enforcement Branch offices.....	1, 875
6. 644 Rent offices.....	6, 131

Grand total..... 14, 419

Mr. WIGGLESWORTH. I think that is all I have in mind.

FUNCTIONS OF PERSONNEL OF THE GENERAL COUNSEL'S OFFICE

Mr. McCULLOUGH. Would you permit us to clarify this matter I referred to earlier?

Mr. WIGGLESWORTH. What was that?

Mr. McCULLOUGH. With respect to the staff in the General Counsel's Office.

Mr. WIGGLESWORTH. Yes.

Mr. McCULLOUGH. I will ask Mr. Auerbach to tell you what it is we are doing with this staff.

Mr. WIGGLESWORTH. These are all included under "Executive"?

Mr. McCULLOUGH. Yes, sir.

Mr. WIGGLESWORTH. What is the size of this staff you are going to talk about?

Mr. AUERBACH. As it is listed in the last column under "Executive Department, general counsel." The units consist——

Mr. WIGGLESWORTH. What is the size?

Mr. AUERBACH. As of February 1, 1947, there were 152 employees in the Office of the General Counsel.

Mr. WIGGLESWORTH. How many were there at the beginning of the fiscal year?

Mr. AUERBACH. One hundred and twenty. Of that 152, the great bulk are not lawyers. There are 51 investigators, or a total of 51 people in the Internal Intelligence Division. The Internal Intelligence Division consists primarily of investigators and clerical help who check any reported misdeeds of any OPA personnel, past or present. Of that total of 51, there are 8 in Washington. The other 43 are scattered throughout the United States, and very recently I asked Mr. McCullough to be relieved of supervising the Internal Intelligence Division and that will be transferred directly to Mr.

McCullough's office. If you take out that 51, the figure would come down to 102.

Mr. WIGGLESWORTH. But which won't reduce the over-all, if you are just going to transfer them.

Mr. AUERBACH. No. But I thought the committee would want to be clarified on the number of lawyers in the office of the general counsel. I am trying to do that by taking up each unit separately.

As to the remainder, there are a total of 54 lawyers in the office of the general counsel in Washington. The rest of the personnel are clerical, legal stenographers, and the like.

In the Court Review, Research, and Opinion Division, there are a total of 47 lawyers. There are two lawyers in my personal office, including myself and one assistant; five lawyers in the board of review. That makes a total of 54 lawyers. The lawyers in the Court Review Division constitute the bulk of the lawyers in my office.

Under the statute, as you gentlemen know, there has been one court set up throughout the United States that hears protests against OPA regulations and orders. That is the emergency court of appeals, from which a party may appeal directly to the Supreme Court of the United States. That court sits wherever a party who brings the suit wants the court to sit. It travels thousands of miles each year. It has been quite a unique experiment.

I would like to give the committee an idea of the present work load of those 47 people. There are at present 51 cases pending in the emergency court of appeals. Even though prices have been decontrolled, so long as the enforcement program continues, the Congress provided that any person who is involved in an enforcement protest, in which he is charged with having violated a price regulation, may appeal to the emergency court of appeals charging that the regulation under which the suit is brought is invalid, and he gets his day in court in the emergency court of appeals and then may appeal to the Supreme Court of the United States. So that so long as the enforcement program is continued, there will be a heavy load of work in the emergency court of appeals and the Supreme Court of the United States.

Then we have a continuing rent control program and some cases of over-all importance which the office of the general counsel handles, such as the recent challenge of the sugar rationing regulations.

As I said, we have 51 cases now pending in the emergency court of appeals, which compares with a total of 345 cases which the emergency court of appeals has decided since it was first set up in the early part of 1942. We have six cases now pending in the Supreme Court of the United States.

Before a man may file a complaint in the emergency court of appeals, he first must go through an administrative process in which he requests the Office of Price Administration to reconsider the basic regulation under which the enforcement action was brought, to see if there are any grounds for giving him administrative relief. The same provisions exist with regard to any rent regulation or order. Any person who feels such an order is unfair, or such a regulation is inequitable, may call first for administrative reconsideration by filing what the statute calls a protest, and, if the OPA denies the protest, he may then complain in the emergency court of appeals. If the emergency court of appeals turns him down, he may then go to the Supreme Court of the United States. So that the filing of the protest is the

first step in the litigation process for testing the validity of OPA regulations and orders.

As of today, we have a backlog of 419 protests; 145 of them involve price and 274 involve rent regulations and orders. That 274 rent protests does not take into consideration the recent opinion of the Supreme Court in which the OPA unsuccessfully contended that the tenant did not have a right to protest. The Supreme Court disagreed with us and said the tenant did have a right to protest. That tenant's right and eviction in other cases will increase the load of protests considerably.

So that the summation of the picture is this: 419 protest cases which we have not yet disposed of and 57 actual cases pending in the courts—51 in the emergency court of appeals and 6 in the Supreme Court.

Protests are coming in now at the rate of a little over 50 a month, practically all in the field of rent.

PLANS FOR FURTHER REDUCTIONS IN PERSONNEL

Mr. WIGGLESWORTH. Let me ask, Mr. McCullough, what further reduction in personnel, if any, do you contemplate in the near future?

Mr. McCULLOUGH. Our plan calls for a reduction right on through to the end of this quarter. On the 1st of April, we would need a total of 13,467 and that would be reduced slightly in that quarter to 13,351 at the end of the fiscal year if the programs we are now responsible for continue up to that time.

I should like to say that at the time of price decontrol we were interested in reducing the staff to the bare minimum that would be necessary to carry these programs forward, for two reasons: One for the reason of sound administration and economies that we ought to effect; second, we recognized that the job market at that particular time was probably as good as it was ever going to be and we welcomed an opportunity for as many of our employees to leave and find permanent employment as it was practicable to do. So that we made a very sharp cut all the way across the board; not just in the price program, but in the enforcement staff, in administrative services, and in other services that served the price program.

Mr. WIGGLESWORTH. And the action you took is reflected in the figures you gave me a little earlier?

Mr. McCULLOUGH. Yes; it is.

Mr. ENGEL. In giving the committee the figures as to the amount of the appropriation for the fiscal year ending June 30, 1947, and the expenditures up to September 30 of OPA, CPA, and the third agency, were any of those expenditures charged to prior years, or were they all charged against this present appropriation?

Mr. LLEWELLYN. That figure you have for OPA is expenditures charged to the 1947 fiscal year appropriation only.

EXPIRATION OF SUBSTANTIVE LEGISLATION

Mr. ENGEL. When did this OPA act expire?

Mr. McCULLOUGH. June 30. I should say, however, that the legislation under which the sugar-rationing program is being carried forward expires, as you know, at the end of March and in budgeting initially we did not request funds to carry the sugar program past

that period. The President has requested legislation which would extend the authority to ration sugar, however, and we did include, therefore, in our deficiency request, enough money to carry that program for the last quarter of the year.

RENT CONTROL AUTHORITY

Mr. ENGEL. Your original Rent Control Act confined your authority to control rents within certain war areas, did it not?

Mr. McCULLOUGH. Yes, sir; that is correct. May I clarify that? The act provided that the Administrator, after determining the tendency of rents, the trend of rents in a particular location, could declare the area as a defense rental area and institute rent control.

Mr. ENGEL. Despite the fact there may not be any appreciable war production in that area?

Mr. McCULLOUGH. The relationship to the present war activity was not a criterion with respect to establishing rent control areas, was it?

Mr. AUERBACH. No; the Administrator, under the statute, was required to establish rents whenever he thought a rent increase was pending or after it occurred, if it appeared to be an unreasonable one.

Mr. ENGEL. Anywhere in the United States?

Mr. CHERBACK. No, sir.

NUMBER OF RENT-CONTROL AREAS

Mr. ENGEL. Up until July 1, 1946, you had how many rent-control areas?

Mr. CARSON. Approximately 510.

Mr. ENGEL. How many rent-control areas did you have on August 1, 1945, about the close of the war?

Mr. CARSON. I would have to go back to get those figures.

Mr. McCULLOUGH. We can supply that for the record, month by month.

Mr. ENGEL. Can you give us the approximate number? How many have you added since the war closed?

Mr. McCULLOUGH. Something over 100 since July 1, 1946.

Mr. ENGEL. I am asking you how many you had on August, or whenever hostilities ceased?

Mr. McCULLOUGH. A few more than that.

Mr. ENGEL. Approximately a little over 100?

Mr. McCULLOUGH. Yes, sir.

The CHAIRMAN. Do you mean in the Washington office, or outside?

Mr. ENGEL. I mean how many have you added to the rent areas. You have added 100 rent areas since July 1, 1946?

Mr. CARSON. Approximately.

Mr. ENGEL. Is it not strange that you should add a hundred rent areas a year after the cessation of hostilities?

Mr. McCULLOUGH. We thought that in August 1945, it would be possible to decontrol a number of areas, but it did not work out that way. I should say that very recently we have had to extend rent control. That was brought about by a number of causes. The housing shortage got tighter with the return of veterans and by provisions made in colleges under the veterans' emergency bill.

Mr. ENGEL. Could you not give us a list of the 100 areas that were added since that time?

Mr. McCULLOUGH. We can place that in the record.

Mr. ENGEL. If you please, I would like to have that.

Mr. McCULLOUGH. Would you also like to have some data as to the reason for that?

Mr. ENGEL. You have given the general reason.

Mr. McCULLOUGH. We do not cite that with respect to each of the areas. You would like to have that from July 1946, or August 1945?

Mr. ENGEL. I would like to get a statement of the number of rent areas you had at the end of the war; I mean by that at the time of the cessation of hostilities with Japan, and also the number you have added since July 1, 1946.

Mr. McCULLOUGH. Yes, sir; we will get that for you.

(The statement requested is as follows:)

EXTENSION OF RENT CONTROL SINCE AUGUST 31, 1945

On August 31, 1945, there were 487 defense-rental areas under rent control. As of February 4, 1947, there are 649 areas under control. The difference between these two figures is the net effect of the extension of control to 176 new areas and the decontrol, consolidation and regrouping of a number of areas.

The list of new areas placed under rent control since August 31, 1945, is as follows:

Date placed under control	State and area	Counties
1945: Oct. 1-----	California: Placer-Nevada-----	In Placer County, townships 1, 3, 9, 10, 13, and 14; in Nevada County, townships of Bloomfield, Bridgeport, Grass Valley, Little York, Nevada, and Rough and Ready.
	New Mexico: Santa Fe-----	Santa Fe (Precinct No. 28 (Espanola) in Rio Arriba County added Sept. 1, 1946).
1946: Jan. 1-----	Colorado: Craig-----	Moffat (Rio Blanco added on May 1, 1946).
	Illinois: Bloomington-----	McLean.
	Kentucky: Madisonville-----	Hopkins.
	Minnesota: St. Cloud-----	In Benton County, the portions of the city of St. Cloud, Sartell Village, located therein, and Sauk Rapids Village; in Sherburne County, the portion of the city of St. Cloud, located therein; in Stearns County, the portions of St. Cloud City and Sartell Village located therein, and Waite Park Village.
	North Dakota-Minnesota: Grand Forks-----	Grand Forks: In Polk County, the city of East Grand Forks (Minnesota).
	South Dakota: Aberdeen-----	Brown.
	Utah: Vernal-----	Uintah (Duchesne added on Apr. 1, 1946).
	Virginia: Covington-----	Alleghany (independent city of Clifton Forge, added on Mar. 1, 1946).
	Wisconsin: Green Bay-----	Brown.
Feb. 1-----	Alabama: Opelika-----	Lee.
	Colorado: Fort Collins-----	Larimer, part consisting of townships 4, 5, 6, 7, 8, 9, 10, 11, and 12, north, east of range line between ranges 71 and 72 west.
	Minnesota: Brainerd-----	Crow Wing.
	Mankato-----	Blue Earth, in Nicollet County, the city of North Mankato.
	North Carolina: High Point-----	In Guilford County, township of High Point.
	Virginia: Charlottesville-----	Alhermarle, independent city of Charlottesville.
	Wyoming: Laramie-----	Alhany.
Mar. 1-----	Illinois: Centralia-----	Marion, in Clinton County, Centralia City and Wamac Village located therein; and in Washington County, that part of Wamac Village located therein.

Date placed under control	State and area	Counties
1946:		
Mar. 1	Iowa: Waterloo.....	Black Hawk.
	Kentucky: Harrodsburg.....	Mercer.
	Louisiana: Lafayette.....	Lafayette Parish.
	Minnesota: International Falls.....	In Koochiching County, all of township 71, range 23, including Ranier; all of township 70, range 24, including South International Falls; all of township 71, range 24, including International Falls.
	Montana: Bozeman.....	Gallatin.
Apr. 1	West Virginia: Mineral County.....	Mineral.
	Arkansas: Fayetteville.....	Washington (Benton added Sept. 1, 1946).
	Illinois: Mattoon.....	Coles.
	Iowa-Illinois: Dubuque.....	Dubuque; and in Delaware County, that part of Dyersville City located therein; in Jones County, that part of Cascade town located therein; in Jackson County, that part of Zwingle Town located therein. In Jo Daviess County, the city of East Dubuque (Ill.).
	Minnesota: Winona.....	Winona.
	New York:	
	Glens Falls.....	Warren, Washington.
	Ithaca.....	Tompkins.
	Oklahoma: Stillwater.....	Payne.
	West Virginia-Virginia: Bluefield.....	Mercer, McDowell, Mingo, Raleigh, Wyoming, added May 1, 1946; Boone, Fayette, Summers, added Nov. 1, 1946; in Tazewell County, Bluefield Town (Va.).
	West Virginia-Ohio: Parkersburg.....	Wood, Washington (Ohio).
	Wisconsin: Appleton.....	Outagamie; and in Waupaca County, the parts of New London located therein.
May 1	Georgia: Tifton.....	Tift.
	Iowa: Mason City.....	Cerro Gordo.
	Kansas: Emporia.....	Lyon.
	Massachusetts: Greenfield.....	Franklin.
	Missouri: Jefferson City.....	Cole.
	North Dakota: Bismarck-Mandan.....	Burleigh.
		Morton; in McLean County, Wilton City located therein.
	Ohio: Zanesville.....	Muskingum; and in Perry County, Roseville Village located therein.
	Vermont:	
	Brattleboro.....	Windham.
	St. Albans.....	Franklin.
	Virginia: Lynchburg.....	Independent city of Lynchburg, Amherst, Bedford, Campbell.
June 1	New York: Rockland County.....	Rockland.
	Oklahoma: Ponca City.....	Kay.
	Pennsylvania: Cranton-Wilkes-Barre.....	Carbon, Lackawanna, Schuylkill, Luzerne County, except Nescopeck Borough, Nescopeck Township, and Salem Township.
Aug. 1	Georgia: Dalton.....	Whitfield.
	Minnesota: Austin.....	Mower.
	Montana: Missoula.....	Missoula.
	Nebraska: Scottsbluff.....	Scotts Bluff.
	North Carolina:	
	Chapel Hill.....	Orange.
	Hickory.....	Catawba.
	Ohio: Lancaster.....	Fairfield.
	South Dakota: Mitchell.....	Davison.
Sept. 1	Florida:	
	Polk County.....	Polk.
	Sarasota.....	Sarasota.
	Indiana:	
	Crawfordsville.....	Montgomery.
	Logansport.....	Cass.
	Iowa:	
	Ames-Marshallton.....	Marshall, Story.
	Fort Dodge.....	Webster.
	Missouri: Columbia.....	Audrain, Boone.
	New Hampshire: Keene.....	Cheshire.
	Ohio: Athens.....	Athens.
	Pennsylvania:	
	Lewistown.....	Mifflin.
	State College.....	Centre.
	Tennessee: Cookeville.....	Putnam.
	Texas: Eatex.....	Angelina, Nacogdoches, Panola, Rusk.
	Utah:	
	Logan, Utah.....	Cache.
	Price.....	Carbon.

Date placed under control	State and area	Counties
1946:		
Oct. 1-----	Illinois: Mount Vernon, Ill-----	Jefferson.
	Indiana: Auburn-----	DeKalb; in Steuben County, Ashley Town.
	Iowa:	
	Charles City-----	Floyd.
	Museatine-----	Museatine.
	Louisiana: New Iberia-----	Iberia, Vermillion.
	Missouri: Franklin County-----	Franklin.
	Montana: Butte-----	Silver Bow.
	New York:	
	Gloversville-----	Fulton.
	Olean-----	Cattaraugus.
	Ohio:	
	Delaware County-----	Delaware.
	Portsmouth, Ohio-----	Seioto.
	Wooster-----	Wayre.
	Oregon: Salem-----	Marion; in Polk County, the city of West Salem.
	Pennsylvania: Indiana County-----	Indiana.
	Texas: Huntsville-----	Walker.
	Vermont: Montpelier-----	Caledonia, Washington.
	Wisconsin: Sheboygan-----	Sheboygan.
Nov. 1-----	Colorado: Canon City-----	Fremont.
	Georgia: Griffin-----	Spaulding.
	Illinois:	
	Carmi-----	White; in Edwards County, the city of Grayville.
	Clinton, Crat Orchard-----	DeWitt, Jackson, Williamson.
	Jacksonville, Kewanee, Paxton.	Morgan, Henry, Ford.
	Indiana: Frankfort-----	Clinton.
	Kansas:	
	Butler-Cowley-----	Butler, Cowley, in Sumner County, Geuda Springs.
	Chanute-----	Neosho, Wilson.
	Kentucky:	
	Frankfort-----	Franklin, Scott, Woodford.
	Somerset-----	Pulaski.
	Louisiana:	
	Ferriday-----	Concordia.
	Jennings-----	Jefferson Davis.
	Ruston-----	Lincoln.
	Hammond-----	Tangipahoa.
	Maine:	
	Augusta-----	Kennebec.
	Roekland-----	Knox.
	Rumford-----	Oxford.
	Michigan:	
	Sault Ste. Marie-----	Chippewa.
	Escanaba-Marquette-----	Delta, Dickinson, Marquette.
	Ironwood-----	Gogebie.
	Hancock-----	Houghton.
	Minnesota:	
	Albert Lea-Faribault-----	Freeborn, Rice, Steele, Waseeo in Goodhue County, Dennison Village.
	Fergus Falls-----	Otter Tail; in Wilkins County, Rothsay Village.
	New Ulm-----	Brown.
	Mississippi:	
	Brookhaven-----	Lincoln.
	Columbia-----	Marion.
	Missouri:	
	Cape Girardeau-----	Cape Girardeau.
	Chillicothe-----	Livingston, Grundy.
	Kirksville-----	Adair.
	Monett-Aurora-----	Barry Lawrence.,
	Montana:	
	Harve-----	Hill.
	Helena-----	Lewis and Clark.
	Kalispell-----	Flathead.
	Lewistown-----	Fergus.
	Livingston-----	Park.
	Miles City-----	Custer.
	Nebraska:	
	Fairbury-----	Jefferson.
	Norfolk-----	Madison in Antelope County, the city of Tilden.
	York-----	York.
	Nevada:	
	Elko-----	In Elko County, township 5.
	Carson City-----	Ormsby.
	New Hampshire:	
	Concord-----	Merrimaek, Belknap.
	Coos County-----	Coos.

Date placed under control	State and area	Counties
1946: Nov. 1.....	New Mexico: Los Cruces..... New York: Cortland..... Hudson..... Plattsburg..... North Carolina: Gastonia..... Greenville..... Hendersonville..... Salisbury..... North Dakota: Jamestown, N. Dak..... Ohio: Chillicothe, Ohio..... Oklahoma: Ada..... Bartlesville..... Guthrie..... Okmulgee..... Oregon: Bend..... South Dakota: Brookings..... Provo-Hot Springs, S. Dak..... Huron..... Vermillion..... Tennessee: Elizabethton..... Fayetteville..... Paris, Tenn..... Springfield..... Texas: Alice..... Corsicana..... Palestine..... Vernon..... Vermont: Rutland..... Virginia: Fredericksburg..... Staunton..... Wise County..... Washington: Ellensburg..... Grand Coulee..... Longview-Kelso..... Wenatchee..... Washington-Idaho: Pullman-Moscow..... Wisconsin: Ashland..... Marinette..... Watertown..... Wausau..... Wyoming: Rawlins..... Sheridan.....	Dona Ana, Sierra. Cortland, Columbia, Clinton; in Essex County, Keesville Village. Gaston. Beaufort, Pitt. Henderson. Davidson, Iredell, Rowan. Stutsman. Ross. Garvin, Pontotoc, Seminole. Washington. Logan. Okmulgee. Deschutes. Brookings. Fall River. Beadle; in Hand County, Wessington City; and in Kingsbury County, Iron-quois City. Clay; in Yankton County, Irene Town. Carter. Lincoln. Henry. Robertson. Jim Wells. Ellis, Kaufman, Navarro. Anderson. Wilbarger. Rutland, Bennington. Spotsylvania, Stafford, independent city of Fredericksburg. Augusta, Rockingham, independent cities of Staunton and Harrisonburg. Wise. Kittitas. In Grant County, that portion lying north of the south line of township 23 north. Cowlitz. Chelan. Whitman, Latah (Idaho). Ashland. Marinette. Dodge County, except the city of Waupun; Jefferson. Marathon, Portage; in Clarke County, Abbotsford Village, Colby City and Unity Village. Carbon. Sheridan.

Number of field rent offices, as of June 30, 1946

Area rent offices.....	308
Area rent branch offices.....	217
Servicing 520 defense-rental areas.	

QUESTION AS TO ADDING RENT-CONTROL AREAS AFTER DECONTROL WENT INTO EFFECT

Mr. STEFAN. Mr. McCullough, I wonder if you can give us the figures on the increase of rental areas that you added after decontrol went into effect.

Mr. McCULLOUGH. We did not add them after price decontrol.

Mr. STEFAN. You added a large number of rental areas; did you not?

Mr. McCULLOUGH. No; the President's decontrol message was on November 10. We decided we would try to meet the needs of those communities in the worst shape from the standpoint of rent pressures on November 1; we had planned that during the summer——

Mr. STEFAN. When did decontrol go into effect?

Mr. McCULLOUGH. On November 10.

Mr. STEFAN. After November 10 you added some additional rent-control areas, because you did add some in my district.

Mr. McCULLOUGH. I think they were opened on the first of November, or about that time.

Mr. STEFAN. Your counsel indicated that rent-control areas went to defense locations, or some activity along that line.

Is it not a fact that you put in rent-control areas in localities where people made complaints?

How did you originate rent-control areas outside of the fact that there are complaints there?

Mr. CARSON. We have followed their local recommendations and surveys made on the trend of rents for us by the Bureau of Labor Statistics and recommendations from our field offices, and complaints received with respect to rise in rents.

Mr. STEFAN. From whom did these complaints come?

Mr. CARSON. From people in the communities.

Mr. STEFAN. Individuals or organizations?

Mr. CARSON. From both, sir.

Mr. STEFAN. It is a fact that you increased the rental areas some 100 on July 1, 1946. How many did you have in effect at that time, about 625?

Mr. CARSON. 649.

Mr. STEFAN. As compared with 525 on July 1, 1945?

Mr. CARSON. Approximately that date.

QUESTION AS TO RENT-CONTROL AREAS IN AGRICULTURAL DISTRICTS

Mr. STEFAN. How were you going about to justify rental areas in agricultural districts in towns of around 1,000 or 1,200 population, far away from any defense areas?

Mr. CARSON. In some of those instances, I can recall one particular one, where there have been smaller colleges where the GI's have come in.

Mr. STEFAN. But they have been taken care of by the GI housing bill. I am talking about localities where you do not have small colleges where the GI has been taken care of otherwise through the colleges' applications for quonset houses.

Mr. McCULLOUGH. In areas where I am sure we have gone in to provide for accommodations at the colleges, they have been taken care of.

Mr. STEFAN. You have now employed in all categories about 14,419?

Mr. McCULLOUGH. Yes, sir.

Mr. STEFAN. You indicate that at the end of this fiscal year you expect to trim that number down to 13,331?

Mr. McCULLOUGH. 13,351 is our estimate.

INTERNAL INTELLIGENCE

Mr. STEFAN. What is the difference between personnel intelligence and internal intelligence information offices? How many intelligence departments do you have?

Mr. McCULLOUGH. I do not think we have an activity called personnel intelligence.

Mr. STEFAN. Someone testified about personnel intelligence, and internal intelligence. Are they the same thing?

Mr. McCULLOUGH. Yes, sir.

Mr. STEFAN. What do they do?

Mr. McCULLOUGH. They investigate the alleged irregularities of OPA employees, such as when it is alleged that an OPA employee has been dealing with somebody in sugar currency.

Mr. STEFAN. Giving information?

Mr. McCULLOUGH. No, sir; it is often more serious than that. We make an investigation to determine whether some criminal action should be taken against an employee, or whether there should be dismissal, or some other action taken on the facts that are developed.

Mr. STEFAN. How many employees are in the Intelligence Branch?

Mr. McCULLOUGH. I think about 50.

Mr. STEFAN. Have you found any irregularities?

Mr. McCULLOUGH. Yes; unfortunately we have. We have found that we had some untrustworthy employees in some places, unfortunately. Some of them have been dealing with black-market operators on sugar currency.

Sometimes cases are not that serious.

ENFORCEMENT CASES

Mr. STEFAN. Mr. McCullough, your counsel stated that you have about 4,900 cases now in the courts; is that correct?

Mr. McCULLOUGH. No, sir; these are cases that have not reached the courts.

Mr. STEFAN. Then you have 20,000 cases in course of prosecution?

Mr. McCULLOUGH. No, sir.

Mr. STEFAN. What are the 20,000 cases?

Mr. McCULLOUGH. As I indicated this morning, we had about 25,000 cases at the time of decontrol. We have cut that backlog.

May I ask Mr. Remy to give you an exact answer on that? He is the enforcement executive.

Mr. STEFAN. I would like to know approximately the figure that that you cut in half.

Mr. REMY. It is about that number, about 25,000.

Mr. STEFAN. Do you work with the Department of Justice in any of these cases?

Mr. REMY. We do.

Mr. STEFAN. How much?

Mr. REMY. We do not handle any criminal cases with our own staff. We investigate cases and refer them to the Department of Justice. The Department of Justice brings criminal action, if necessary.

Mr. STEFAN. How much assistance did the Department of Justice give you?

Mr. REMY. The Department of Justice does not help in any of the protest cases. That is handled through the General Counsel's office here.

Mr. STEFAN. How many prosecution cases have you handled in the entire time that the OPA has been in existence? Have you got that figure?

Mr. REMY. No, sir; I do not have that here.

Mr. STEFAN. Will you supply that?

Mr. REMY. Yes, sir.

Mr. STEFAN. How much money have you collected as a result of all these prosecutions?

Mr. REMY. Several million dollars.

Mr. STEFAN. Will you give us that figure for the record?

Mr. REMY. Yes.

Mr. McCULLOUGH. I think the committee would be interested with respect to the cases still outstanding. There is about \$75,000,000 in claims which the Government should, in our judgment, assert.

Mr. STEFAN. I would like to know how many people you are using in the prosecution of cases and how much help the Department of Justice is giving you, and how many employees the Department of Justice is turning over to you to assist you. Will you put that in the record?

Mr. REMY. I will be glad to do that, Mr. Stefan.

(The statement requested is as follows:)

Proceedings completed Feb. 11, 1942, through Oct. 31, 1946

A. Court actions:

1. Administrator's own treble damage-----	7, 085	
2. Administrator—consumer treble damage-----	14, 473	
3. Injunction-----	58, 777	
4. License suspension-----	484	
5. Criminal prosecution-----	13, 046	
6. Contempt-----	372	
		94, 237

B. Local criminal prosecutions-----

4, 379

C. Administrative proceedings:

1. Suspension order proceedings-----	47, 897	
2. Determination proceedings-----	74	
		47, 971

Grand total----- 146, 587

NOTE.—Figures for period Feb. 11, 1942, through Jan. 31, 1943, include only proceedings won; accurate figures are not now available to show number of proceedings lost or withdrawn.

Dollar amount of judgments ¹ and settlements ²

Prior to January—

1943 settlements and judgments-----	\$4, 358
Do-----	4, 363, 942
1944 settlements and judgments-----	15, 817, 658
1945 settlements-----	11, 716, 458
1945 judgment-----	7, 326, 628
1946 settlements-----	7, 891, 327
1946 judgments through November-----	7, 864, 033

Beginning of OPA through 1946----- 54, 984, 404

¹ Judgments from beginning of OPA through November 1946.

² Settlements include all money paid into the Treasury of the United States as a result of voluntary settlement of treble damage claims with the Enforcement Division; settlements effected by area rent offices, and local boards and price panels are not included.

FINES ³—DOLLAR AMOUNT

Prior to January—

1943-----	\$37, 830
1943-----	829, 467
1944-----	3, 307, 019
1945-----	3, 348, 958
1946 through October-----	2, 167, 281

Beginning of OPA through 1946----- 9, 690, 555

³ Fines from beginning of OPA through October 1946. Fines for violation of State and local laws are included; while the exact amounts paid in this category are not available, they are only a small percentage of the total.

It is generally considered that except for 7 attorneys in the National Office and 32 in the field engaged in administrative or supervisory capacities, all enforcement attorneys either contribute to or participate in the disposition and trial of civil cases and administrative suspension proceedings. The function of the remaining staff of 423 enforcement attorneys in the National Office and field break down as follows:

NATIONAL OFFICE

Program activities

These attorneys are engaged in the continuing programs in rent, sugar, and sales control. Their functions are: (a) Developing programs, policies, and procedures in their respective fields; (b) coordinating enforcement activity with rent and sugar departments and with NHA and the Housing Expediter; (c) giving technical direction to and supervising field offices in the execution of enforcement activity (14 attorneys).

Review and disposition

These attorneys are engaged in the decentralized commodity fields; they have the same programing, supervising, and direction responsibilities as the attorneys in the program activities. However, the problem of technical expertness is greater because the cases in this field include substantial numbers in each of the following major commodity fields: Meat, other foods, apparel, leather and textiles, industrial materials, lumber, automobiles, and durable goods. This staff must, therefore, be so qualified as to be able to give technical direction in the handling and disposition of cases in all the enumerated fields (nine attorneys).

Litigation

(a) *Director and Solicitor*.—Over-all direction of the operations of the division and participation in cases of major importance in the development of the law (two attorneys).

(b) *Appellate*.—Handles all civil appeals in the United States circuit courts of appeal (approximately 150 per year), including preparation of briefs and oral argument, as well as significant appeals in State courts (12 attorneys).

(c) *Trial*.—Handles selected civil cases for trial (treble damage cases), particularly those cases where, because of the time involved, national scope of problems, or need for interregional coordination, the regional and branch offices are unable properly to handle the case. Typical cases now in this branch range from \$500,000 to \$5,000,000 in treble damages and require from 1 to 3 months for preparation, taking depositions, interviewing witnesses, and actual trial (12 attorneys).

(d) *Research and briefing*.—General research for National Office staff and field offices on new or novel problems, preparation of model briefs, and memoranda of law for use in trial of civil cases generally by field offices (six attorneys).

FIELD OFFICES

Litigation

These attorneys, located solely in the eight regional offices, are engaged in the same functions as the trial attorneys in the National Office, except that the cases handled are generally not of as broad scope as those handled in the National Office and do not involve national or interregional violations. Primarily they undertake the trial of civil cases from one of the commodity sections or review and disposition when the time required for preparation or trial is so great that it would interfere with the regular operations of the commodity section if an attorney assigned to that section were to devote himself to it (53 attorneys).

Review and disposition (93 attorneys).

Sugar (71 attorneys).

Rent (151 attorneys).

The work of all attorneys in the three sections above is so basically similar (except for the difference in the regulations involved or type of sanction that is appropriate) that all may be discussed together. Their responsibility is the disposition of all civil cases (except those that are referred to regional or national litigation) and administrative proceedings for violations within their respective fields. This means negotiating settlements or filing suit and trial of cases if settlements are not effected. It is not possible to segregate the time spent in actual trial of cases as distinguished from negotiating and effecting settlements, or reviewing and analyzing investigative reports for the purpose of determining the appropriate sanction or whether the evidence is sufficient for trial, or what additional evidence is required. However, more than 95 percent of all civil violation cases are handled by the respective commodity sections through to final disposition.

With respect to criminal cases, their function ceases when the investigation report and formal referral are approved for transmission to the United States district attorney with recommendation for criminal prosecution except for consultation with the United States attorney on the technical aspects of the regulations. In rare cases an OPA attorney may participate in the trial of a criminal case as a special assistant to the United States attorney.

Since all criminal cases are handled by the United States attorneys in the 84 judicial districts throughout the United States, no records are available in OPA as to the number of personnel or amount of time devoted by the staffs of the United States attorneys' offices to OPA cases.

INFORMATION OFFICE

Mr. STEFAN. There has been some reference made to the Public Records Office and the Information Office. Is there any relation between the two?

Mr. McCULLOUGH. No, sir; there is none. The Information Office supplies the information service for the entire agency.

Mr. STEFAN. Is that interbureau information?

Mr. McCULLOUGH. No, sir; this is public information.

Mr. STEFAN. Is this your press section?

Mr. McCULLOUGH. The press section is part of the Information Office.

Mr. STEFAN. How many employees are in the press section here and in the field?

Mr. McCULLOUGH. We have 17 people employed in that particular branch here and 31 in the field. That is not the press section alone.

Mr. STEFAN. I just want the press section alone.

Mr. McCULLOUGH. We had at one time a press section as such. We do not have that now.

Mr. STEFAN. Do you mean the Information Office has some press work?

Mr. McCULLOUGH. No; they are included in the 17 employees in the National Office.

Mr. STEFAN. I would like to have you tell me exactly how many people you have in the department doing press service.

Mr. McCULLOUGH. I will be glad to give you that.

Mr. STEFAN. And their civil-service classification also, if you have that.

Mr. McCULLOUGH. Yes; we will give you that.

(The statement requested is as follows:)

Personnel

Functions of the 10 information specialists now employed in the National Office break down as follows:

Director, Office of Information, CAF-15.

Information specialist (to be transferred out of OPA in February, at which time position will be abolished), CAF-14.

Director of the Field Information Branch, CAF-13.

Assistant for field, CAF-11.

Program Planning Chief, CAF-14.

Program planner, CAF-13.

Chief, Media Branch, CAF-15.

Information specialist, CAF-14.

Information Specialist, CAF-13.

Information specialist, CAF-12.

It is impossible to say exactly how many people are involved in each of the eight basic tasks listed above. By retaining our most experienced and versatile people, the Office has been reorganized so that each person does parts of several jobs as the daily work load and as time available permits.

The 19 professional positions now assigned to the information activity in the field break down as follows:

Regional information executives-----	9
Assistant regional information executives-----	8
Information assistants in the 2 largest regions-----	2
Total-----	19

In addition to their regular press, radio, trade, and public-inquiries responsibilities, these field people also have the responsibility of training and helping the staffs of rent area offices, sugar branch offices, and enforcement branch offices to perform the information and public relations aspects of their jobs, formerly done by the district directors and information executives.

Mr. STEFAN. Could we be reasonably certain that you do not have over 17 people in the District and 31 in the field doing presswork—doing press relations work of all types?

Mr. McCULLOUGH. Yes, sir; that is all we have.

Mr. STEFAN. Will you give me their classification, as to the kind of presswork they do?

Mr. McCULLOUGH. Yes, sir.

Mr. STEFAN. Do they also work with the radio?

Mr. McCULLOUGH. Yes, sir.

Mr. STEFAN. What kind of releases do you put out?

Mr. McCULLOUGH. The actual preparation of press releases, I would say, is the least part of the information job in such an agency.

Mr. STEFAN. How do you get the information to the radio stations and newspapers?

Mr. McCULLOUGH. When we issue an action it goes to the Federal Register, and it is necessary at that time to register information with respect to what that action is.

I think one of the biggest problems that a temporary agency of this kind encounters is that of getting a sufficient amount of public understanding of the job it is trying to do in order to gain reasonably good compliance with its regulations.

Mr. STEFAN. Now, in connection with separating some of these people from the pay roll, reference has been made to terminal leave and accrued time of 30 days' annual leave. Are terminal leave and accrued time the same?

Mr. McCULLOUGH. Yes.

Mr. STEFAN. When you speak about terminal leave, you mean accrued time coming to them?

Mr. McCULLOUGH. Yes, sir.

Mr. STEFAN. Are there three different categories?

Mr. McCULLOUGH. No, sir; he accumulates annual leave.

Mr. STEFAN. I understand accrued time, but the terminal leave was put in the same category. That is the same thing; when you talk about accrued leave you also mean terminal leave?

Mr. McCULLOUGH. Yes, sir.

AGENCY WORK LOAD AND PERSONNEL

Mr. STEFAN. At the end of the fiscal year you say you will cut the number of employees to 13,331. Is that the best you can do?

Mr. McCULLOUGH. We have prepared for the purpose of this deficiency request the work load that is carried by the agency and the personnel required to handle this work; that is included in the statement we submitted to the committee.

In my judgment, this will be a very tight figure within which to operate, for two reasons, one being the time that needs to be taken in connection with the review and disposition of this investigation involved in these 17,000 cases, and the amount of time of the employees that we estimate will be necessary for that. We are going to have great difficulty in dealing with the backlog of work we have.

Mr. STEFAN. Rent control is your big item?

Mr. McCULLOUGH. Yes, sir.

Mr. STEFAN. You have increased your rent-control areas from 535 to 649. You have put them into localities in the agricultural country where it is not near any location of defense activities. I wonder if you cannot reduce that figure and eliminate some of the areas out in the agricultural areas where it is absolutely not necessary to have that sort of thing.

Mr. McCULLOUGH. Is it your idea that the rent pressures are not present in some of those areas?

Mr. STEFAN. I think the pressure came from the OPA, and certainly not from the people in my State, as to whether they wanted that. From my information it was not requested by those people at all. I am referring to Nebraska.

Mr. McCULLOUGH. Going back to the program, of course it would be necessary to reduce the number of area rent offices.

Mr. STEFAN. When decontrol came about you found yourself with a tremendous number of employees on hand; did you think that the pressure was put on for rent control for the benefit of these people in the rent-control areas?

Mr. McCULLOUGH. No, sir; we did not anticipate that there would be any decontrol when we planned for these offices. That was planned in the summer of this year when we had no idea that the price-control program would not be continuing well into this year. There was no relationship between price-decontrol action and the opening of these rental areas.

DISTRIBUTION OF INFORMATION MATERIAL

Mr. CASE. With reference to the matter of the work done by the Information Section, I would like to call your attention to a poster issued by the United States Office of Price Administration, identified as INFP-3083, and ask you if this is one of the activities of the Information Section.

Mr. McCULLOUGH. Yes, Mr. Case, that is. May I comment on it?

Mr. CASE. How many of these did you put out?

Mr. McCULLOUGH. I do not know. I will find that out for you.

Mr. CASE. Will you place in the record a statement of the number you put out and the cost of them?

Mr. McCULLOUGH. Yes, sir.

(The statement requested is as follows:)

The poster titled "Rent Control Prevents Sky-High Prices" was printed in September 1946. Printed in two sizes the total quantity was 196,000—Government Printing Office estimated cost, \$1,978.50.

Mr. CASE. Did you put out other similar posters of that sort?

Mr. McCULLOUGH. Yes, sir; that was done to get compliance with and understanding of the program we had, throughout the course of rental control, price control, and the rationing program, we used information materials of a similar kind.

Mr. CASE. How did you distribute them?

Mr. McCULLOUGH. They were generally distributed through the area rent offices and local boards, sent to the offices, and distributed from there.

Mr. CASE. Did you give any instructions for the distribution of them?

Mr. McCULLOUGH. Yes; I believe always instructions for the distribution of them would accompany transmission of the materials.

Mr. CASE. I had sent to me an inquiry of this nature, which said that it seems that the OPA agencies sent them out to some local OPA agent and that that shows what the distribution of OPA propaganda is.

I know nothing more about it.

Mr. McCULLOUGH. We have distributed right through our rent area offices and the ration material through our local boards.

RENT POLICY

Mr. CASE. I have a letter in my hand dated January 15, 1947, by the area director, which reads as follows:

OFFICE OF TEMPORARY CONTROLS,
OFFICE OF PRICE ADMINISTRATION, RENT DIVISION,
Rapid City, S. Dak., January 15, 1947.

Mr. J. E. MEYERHOFER,
Swiss Chalets, No. 6, City.

DEAR MR. MEYERHOFER: As we would like information regarding the apartment you occupy at present, we are requesting that you call at this office any time within the next 10 days.

The hours we are open to the public are from 10 a. m. until 12 noon and from 1 p. m. until 4 p. m., Mondays through Fridays.

We thank you for your cooperation.

Very truly yours,

AREA RENT OFFICE,
DAVID W. STEELE,
Area Rent Director.

Mr. CASE. I would like to ask whether or not it is the practice of your enforcement policy or investigation policy to notify occupants of apartments or houses to come to your rent office at such hours as between 10 o'clock and noon, or from 1 o'clock until 4?

Mr. McCULLOUGH. May I ask Mr. Carson to comment on that?

Mr. CASE. There was some information coming to me by a person who is regularly employed, and he could not understand why an agency of the Government should be asking that man to come before that agency, come to the rent-control office, between 10 o'clock and 12 and 1 o'clock and 4.

Mr. CARSON. It would be improper to do that, and I should like to go into that case.

USE OF LOCAL PEOPLE FOR ADMINISTERING PRICE CONTROL PROGRAM

Mr. CASE. In the administration of price control, before we had general control of many commodities, did you not use local people and police to help administer your control program?

Mr. McCULLOUGH. When we had to establish a program for rationing and price control we had rationing and price control committees and local boards which performed certain functions with respect to those programs. But we never considered that these price control and ration boards were doing a policing job. They did hold authority with respect to some types of alleged violations in local communities.

Mr. CASE. Was not that satisfactory or successful?

Let me put the question in this way: You adopted that policy during the period of control, did you not?

Mr. McCULLOUGH. Yes.

Mr. CASE. Have you made any attempt in your rent control program, to handle that in a similar way by the use of local offices?

Mr. McCULLOUGH. We considered that very early in the war, that is, the use of local boards in local communities, even as far back as the beginning of the rationing program. Before we had any price activities in the local communities we saw that there was a difference between the rent program and the rationing and price programs. In each of the latter activities the local committee was making a determination for each citizen as between the Government and the citizen; and in the rent programs you have a determination to be made as between two people contending against each other in the community, and we never believed it would be successful either from the standpoint of being able to recruit volunteers to do that job, because the agency always was in the middle between two citizens in dispute. We did not think it would be successful from the standpoint of recruitment or applying objectively such standards which should be applied if you would have equity.

Mr. CASE. I am glad to have your answer in the record, and it seems to me from what I have heard about the operation, that you could not make an adjustment if you had a blanket policy to apply to the whole country, when it was proposed to do what we heard.

It has been difficult to secure any adjustments.

I have had several instances called to my attention where someone had a lower price than you are permitting someone else to sell for.

I am raising the question here first because the local committee might be a better judge because the local committee would be under no pressure to establish inequities.

In the second place, it might be much cheaper, and I would like you to make some estimate of the savings that could be accomplished in the rent control job to put local committees in charge instead of the set-up you now have.

Mr. McCULLOUGH. I should like first to say that I hope my remarks will not be construed as those of a bureaucratic individual trying to perpetuate the system he is working under.

I think that the program otherwise would be doomed to failure in a relatively short period of time, although it could be made successful if properly handled.

DURATION OF RENT CONTROL

Mr. CASE. How long do you think the present rent control program will endure?

Mr. McCULLOUGH. That is a matter for Congress to determine, but I believe it should continue. I think with the changes we have made in the regulations, that we shall have a hard job of handling adjustments, but I think the program can continue, with the modification which is provided for the rent areas, for the next 12 months.

Mr. CASE. Do you think an adjustment which would result in a general increase of 15 percent, with no provision made for any change or adjustment, that that system would endure very long?

Mr. McCULLOUGH. If you will simplify your question—

Mr. CASE. I think Congress will answer that question itself.

This morning some reference was made to the proposition of raising \$1,200,000 in connection with certain functions, that in spite of giving additional duties to CPA, that \$1,200,000 might still be made.

General FLEMING. That is the CPA.

SERVICES OF OTHER AGENCIES

Mr. CASE. To what extent do you call upon Federal agencies to do work for you? You responded to Mr. Stefan's question by saying that you asked the Department of Justice to conduct the prosecutions.

Mr. McCULLOUGH. That is in criminal cases only. They do not give us any assistance in civil cases, as Mr. Remy pointed out.

Mr. LLEWELLYN. There are a very limited number of cases where we ask other Government agencies to do a job for us that we may not be equipped to do.

Mr. CASE. Do you reimburse them for that?

Mr. LLEWELLYN. Yes; we reimburse other agencies, but we do not reimburse the Department of Justice.

Mr. CASE. Do you get any services from any agencies other than the Department of Justice where you do not reimburse them?

Mr. LLEWELLYN. Not that I know of.

Mr. REMY. To a certain extent the Alcohol Tax Unit of the Treasury Department assists us in connection with the enforcement program, and they are interested in large divergences to prevent the issuance from illegal sources.

Mr. CASE. I am wondering whether there is work that is being paid for, and whether other agencies do work for which they are paid which does not appear in the appropriation.

Mr. McCULLOUGH. Sometimes people come into a case and work in a pool, in such a case, and they work with us to the extent that we can use their findings, and in cases where there is a violation of rationing regulations, that comes over to us. We will have to call upon the Alcohol Tax Unit to work with us on that. How many men they would put on such a case we would not know.

Mr. CASE. Will you put a statement in the record about that?

Mr. McCULLOUGH. Yes.

(The statement requested is as follows:)

The Alcohol Tax Unit of the Treasury Department is charged with the responsibility of enforcing Federal statutes and regulations relating to the collection of taxes on distilled spirits. Its Raw Materials Section has maintained surveillance over sugar since 1935 under internal revenue laws and regulations.

With the advent of sugar rationing the use of sugar in non-tax-paid liquor dropped to a minimum. After the regulation had been in force for a period of time and distillers discovered ways of circumventing it, it was apparent to both the Alcohol Tax Unit and the Office of Price Administration that there was need for cooperation and joint effort to prevent diversion of sugar in violation of rationing regulations for use in the illicit manufacture of distilled spirits.

Through this joint program, ATU was furnished leads developed as a result of investigation of sugar rationing violations which enabled them to prosecute persons for violation of the alcohol tax laws. Conversely, ATU, as a result of its investigations of persons manufacturing illicit alcohol, obtained leads and information of violation of sugar rationing regulations, which enabled OPA to proceed against the latter. In many cases, through joint efforts of OPA and ATU investigators, complete cases were developed against groups of people who were engaged in both sugar rationing and alcohol tax violations and prosecution was instituted under one or the other of the acts, or both, as the circumstances and evidence warranted.

Under this program when ATU raw materials investigators are available they work on cases of joint interest and the completed investigations are referred to the OPA enforcement attorneys for appropriate action.

From July 1945 through December 1946, ATU made 7,768 investigations involving possible violation of sugar rationing regulations. During the same period OPA conducted more than 20,000 such investigations. However, we are in no position to determine how many investigators ATU employed at any time in investigations involving use or diversion of sugar in connection with actual or potential manufacture of illicit alcohol.

Every ATU investigation, which disclosed the use of sugar in the manufacture of illicit alcohol was a potential OPA case and every case which indicated diversion of sugar for the manufacture of alcohol was also a potential ATU case. In all such cases, the agency making the investigation kept the other agency informed of the progress and results of its activity.

TRANSFERS TO BUREAU OF LABOR STATISTICS AND CENSUS BUREAU

Mr. CASE. Can you give us the amount of money you have paid to the Department of Labor for services rendered by the Bureau of Labor Statistics during this fiscal year?

Mr. McCULLOUGH. Yes, sir.

Mr. CASE. Also by the Census Bureau in the Department of Commerce?

Mr. McCULLOUGH. Yes.

(The statement requested is as follows:)

Transfers of funds to the Bureau of the Census and to the Bureau of Labor Statistics

1. BUREAU OF THE CENSUS

Carried over from prior years.....	\$16, 437
Transferred from 1947 funds.....	28, 000

Total available.....	44, 437
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The funds carried over from previous years carried operations through the first quarter. The report for the period July 1 through September 21, 1946, showed the following expenditures from the funds carried over:

(a) Enforcement tabulation.....	\$9, 077
(b) Monthly reports on shipments of reconversion commodities.....	2, 398
(c) Miscellaneous tabulations.....	173

Total.....	11, 648
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This left a balance of approximately \$4,800. At that time it was believed necessary to provide for the continuation of the enforcement tabulations and the monthly reports on reconversion commodities, as well as any miscellaneous tabulations which might be needed. Accordingly, an additional \$28,000 was

transferred late in September to provide for these projects for the balance of the fiscal year.

Operations continued normally during October and November. In the meantime, as various commodities concerned with the reconversion tabulation were decontrolled, the Bureau of the Census was instructed to suspend mailings on those items but to complete tabulations in process. This project was completely discontinued when the remaining items were decontrolled.

The enforcement tabulations, however, continued and will continue through the balance of the year. As of December 14, 1946, cumulative obligations for this project for fiscal year 1947 were \$12,375, or a monthly average of \$2,300. It is estimated that approximately \$17,000 more will be obligated from December 15, 1946, to June 30, 1947. The unobligated balance on December 14 was approximately \$23,000. Therefore it may be possible to recover approximately \$6,000 from the Bureau of the Census at the end of the year.

2. BUREAU OF LABOR STATISTICS

As of November 30, 1946, the funds carried over from previous years have provided for the following projects:

Employment tabulation.....	291
Financial reporting tabulations.....	14, 217
Building materials and construction services surveys.....	1, 099
Rent surveys and indexes: Uncontrolled area surveys.....	12, 690
Effectiveness surveys.....	14, 825
Registration checks.....	2, 579
Decontrol surveys.....	2, 068
Indexes.....	778
Total rent surveys.....	32, 940
Overhead:	
Washington staff.....	11, 730
Field staff.....	6, 423
Information services.....	2, 433
Total overhead.....	20, 586
Grand total.....	69, 133

The unobligated balance was \$6,248. As this was not sufficient even to finance December operations, arrangements were made to transfer \$63,500 to finance operations through March 30. This amount provides \$15,875 per month for personal services and all other types of expenditure except travel. The transfer was not actually effectuated until January and therefore is shown with the last 6 months' expenditures. In addition it is estimated that \$15,875 per month, or \$47,620 will need to be transferred for the fourth quarter.

Additional needs beyond December 14 were based on: (1) completing the 5-year financial reporting tabulation by January 25, and (2) conducting an average of 20 rent surveys a month.

As explained in the justification, steps were taken early in the fiscal year to reduce the overhead staff at BLS and by December 30 all overhead staff had been eliminated. In addition to the daily rate agents who collect the data for the rent surveys, the estimate provides for four supervisors in the field plus the necessary staff in the Washington office to tabulate the data.

On November 25 the Rent Department requested effectiveness surveys in 54 cities and 2 additional surveys have been requested since then, 1 an effectiveness survey and 1 survey in an uncontrolled area. At the rate of 20 per month, these surveys provide enough work load to last through February. Before additional funds are transferred the program of the Rent Department will be re-examined.

SUBSIDY AUDITS

Mr. CASE. A question or two about this auditing work that has to be referred to.

I am interested in the reference to the auditing of subsidy payments. How much of a job do you have left over to do that?

Mr. GREEN. I do not have the details of the work to be done but I have here the statistics, and I will be glad to put them in the record.

Mr. CASE. Has the Office of Price Administration made a practice of auditing the payments on the subsidy programs?

Mr. GREEN. Not all.

Mr. CASE. Which ones?

Mr. GREEN. We audit the alcohol payments and the so-called compensatory adjustment payments on coal. On meat the RFC has asked us to do some of the auditing, under the so-called directive 90, and there are about 46 claims under directive 41.

Mr. CASE. Who determines whether you shall make the audit on meat?

Mr. GREEN. The RFC made that determination.

Mr. CASE. Are they responsible for seeing that a complete job of auditing is done and that there is not anything lost in passing back and forth?

Mr. GREEN. Yes; they are responsible to make payments for legal obligations, and in connection with the audit we are responsible for seeing that there is no overpayment.

Mr. CASE. Does the General Accounting Office audit the payments?

Mr. GREEN. Not as far as I know.

Mr. CASE. Prior to the bringing of oil through the pipe lines, were there attempts made to audit oil payments otherwise?

Mr. GREEN. I do not know. I do not know whether any payments were made on oil. I do know about coal, but we had nothing to do with oil.

Mr. McCULLOUGH. Except for the stripper well subsidies.

Mr. CARSON. Some place in the Price Department I think there was some work done on stripper wells.

Mr. CASE. Did you audit those, or are you auditing those?

Mr. LLEWELLYN. Yes, we have certain work to do in making the determination of the subsidy payments.

Mr. CASE. I wish someone would put in the record a very brief statement, not of any length, but a statement that would show whether or not subsidy payments had been audited, or whether possibly there had been some field there where Congress might insist on that audit, or an investigation with regard to that matter.

Mr. McCULLOUGH. That is one of the things for which we have some responsibility.

Mr. CASE. Yes, and in connection with it you can state what the balance of the work will be and in what respect.

Mr. McCULLOUGH. Yes.

(The statement requested is as follows:)

SUBSIDY PROGRAMS

Solid fuels subsidy

The compensatory adjustment program was inaugurated May 18, 1942, to reimburse tidewater receivers of coal in the New England and New York Harbor areas for the increase in transportation costs arising from wartime conditions. The purpose was to stabilize the price of coal to consumers in those areas. In general, the basis of payment was the difference between current transportation costs and costs incurred during the base period, December 15-31, 1941.

The removal of price controls terminated this program with respect to shipments of coal received on and after November 10, 1946. A ruling has as yet not been issued as to whether subsidy payment will be made on shipments in transit on

that date. Applicants had until January 31, 1947, to file claims for compensatory adjustment.

Such claims are filed with OPA and certification is made to RFC on the amount of payment to be made.

All questions of policy or interpretation of regulations and amendments are the responsibility of the price specialist retained for this function.

Audit of the claims is made by the OPA accounting staff and involves the following major steps:

1. Field examination of the records of each applicant to determine eligibility and the company's base period transportation costs.

2. Desk audit of monthly claims against supporting documents for verification of costs and conformity with the regulation.

In order to expedite payment of claims, payments are made in advance of field audits with the understanding that if it was subsequently determined that the applicant was ineligible or had misstated his base period costs, any overpayments would be refunded to the Government. By the end of January 1947, field audits had been made of the records of all but 83 of the 544 companies involved in the program.

In addition to the 83 companies requiring field audits of eligibility and base period costs, there are 528 applications on hand and 89 inventory audit cases. Based on past experience, the estimated work load would require 1,505 man-days for completion. At present 25 auditors are assigned to the program, and in addition 6 supervisors and typists. On the basis of the above figures, the work (exclusive of reaudits) will not be completed until May 15, 1947. If it is determined that reaudits are necessary, the program would continue for 296 working days after July 1, 1947.

In summary, the staff required until June 30, 1947, for the completion of the program is 1 price specialist and secretary, 25 accountants, and 6 supervisors and clerks.

Stripper wells

This subsidy was established to prevent an increase in the price of crude oil. It is payable to the first purchaser for repayment to the producer. The amount of payment varies according to the number of barrels produced, except in Pennsylvania where a flat payment is made. There is a high-cost producer subsidy involved in this program. OPA determines eligibility for claim and audits eligible claims before certification to RFC. The act required continuation of this program through April 1, 1947. Claims may be filed through May 20, 1947. The analysis and audit of such claims requires the employment of five persons in this program through June 30, 1947. One attorney serves as counsel for both compensatory adjustment programs.

Industrial alcohol

In order to expedite the production of industrial alcohol during the war, arrangements were made for the purchase by RFC of all high-cost alcohol and its resale to approved civilian users at OPA ceiling prices; and to the military services and lend-lease at a price to cover average acquisition costs.

Prices were determined in accordance with cost-plus-fixed-fee formula. Contractors were required to submit their costs on a quarterly basis. The accounting staff assigned to this program has been continuously engaged since October 1942 in auditing the records of approximately 150 distilleries on a quarterly basis.

When all contracts for industrial alcohol were canceled on September 30, 1945, a very heavy backlog of work remained due chiefly to the fact that the staff of accountants available for these audits was inadequate to keep abreast of the work. At present 270 quarters remain to be audited.

On the basis of past experience, it is estimated that 4 months will be required (exclusive of work on protests by contractors) to complete the audits.

At present 20 accountants are assigned to the program and 2 on supervisory and clerical staff. Upon the completion of the audit program, a staff of 6 accountants is needed until June 30, 1947, to handle protest work. In addition a price specialist, an attorney, and 2 typists will be required until June 30, 1947.

From October 1, 1942, to the present, over \$16,000,000 has been recovered. It is estimated that approximately \$7,000,000 will be recovered on work in process.

Meat and slaughter subsidies

OES Directive 41 provides for the withholding of subsidy if a slaughter did not comply with the regulations in various respects, such as failure to make reports manipulation of figures, court determination of violation, violations which are

evident on the face of reports, etc. With the ending of the subsidy program on October 15 the RFC froze all subsidy payments pending a clearance by the OPA on each slaughterer's compliance record. RFC was unwilling to pay out pending subsidies if there was a possibility that OPA would later certify that given slaughterers were not entitled to given subsidies in given months because of failure to comply with applicable regulations. In order to meet the requested clearances on each slaughterer, OPA devised a clearance form which the field offices fill out for each slaughterer. This clearance form when properly completed will show for each slaughterer whether he was in compliance with the applicable regulations; and if not in compliance, which periods were involved and the amount of subsidy involved.

This has been a tremendous work load on the field staff at a time when the were terminating their activities. We had expected, on the basis of a preliminary check made at the Baltimore district office, that these forms could be completed in a period of 2 or 3 weeks. Most of the district offices started on them about the 20th of November, and many will be unable to have them completed by the end of February.

It should be pointed out that slaughterers are allowed to make filings up until the end of February, and consequently all such filings received after the field offices have completed their forms mean that the cases have to be reopened and the certifications amended.

Extenuating circumstances: OES Directive 41 provided for automatic withholding of subsidies, April 1, in the cases where slaughterers exceeded their maximum permissible payments for cattle. It also provided, effective May 1, for automatic withholding of subsidies where a slaughterer exceeded his authorized slaughter quota. However, the directive stated that if the price violation did not exceed 2 percent and if the slaughter violation did not exceed 3 percent or 2,000 pounds, the slaughterer could apply to the national OPA office setting forth extenuating circumstances and the subsidies withheld would be released depending on the merit of the circumstances in each individual case. By amendment 8 to directive 41, the 2 percent limitation was removed, and this has resulted in a large number of applications for violations that occurred last April, May, and June.

At the present time we have pending about 75 extenuating-circumstance applications on price violations and about 300 on slaughter control. Late filings permitted until February 28, 1947, will undoubtedly increase this number of applications.

Preparation of OPA certifications to RFC and other responsibilities described above will require 22 persons plus 1 attorney through March 31, 1947, after which the staff can be reduced to 6 through June 30, 1947. No OPA accounting staff is being in the above program.

OES Directive 41 also provides for the payment of a special subsidy to any slaughterer who made money in peacetime, but who was unable to do so under wartime regulations. Some applications for such subsidies are still pending. Besides these types of cases, provided for by directives, audits by RFC reveal that some slaughterers have failed to keep proper records or have failed to comply fully with the requirements of the subsidy regulation or cattle price regulation. The amount of subsidy due a slaughterer in these cases is in doubt. Because price compliance is involved, the cases are referred to OPA for a ruling on whether available records reflect the operations of the slaughterer with sufficient accuracy to be acceptable under the price regulation. A somewhat detailed examination of the records of the slaughterer usually is required in passing judgment in such instances.

Under Public Law 88, slaughterers not eligible for extra compensation as non-processing beef slaughterers, but who actually received this subsidy for a time before their ineligibility was discovered, can apply to be allowed to keep the subsidy received or to obtain from RFC any such subsidy which they may have repaid. The slaughterer must show that he reasonably and in good faith believed that he was eligible for such subsidy and that repayment of the subsidy to RFC would be inequitable to the slaughterer. These applications must be approved by OPA. A number are now pending and they are still being received.

OES Directive 90, section 2, provides for special subsidies automatically applicable to slaughterers whose regular livestock subsidy payments amount to less than \$25,000 for the fiscal year and are made without reference to the earnings position of the applicant. Those slaughterers who receive \$25,000 or more in regular subsidies annually are eligible for this special subsidy if they show net profits (before taxes on income) amounting to less than 1 percent of net sales.

Slaughterers in this class must file a consolidated profit-and-loss statement for the fiscal year 1945 to substantiate their eligibility.

Payments were authorized to be made by the Reconstruction Finance Corporation as soon as claims were filed, without prior investigation into the validity or the accuracy of the claims. In January 1946 the OPA Accounting Department was designated by the Price Administrator and by the Office of Stabilization Administrator to carry out the function of analyzing and verifying the claims for special subsidy payment. Except for a few preliminary audits, work on this program did not actually start until October 1946.

This audit program involves highly complex legal and accounting problems. Accountants from this office must visit the offices of the applicants and make an intensive audit of the items included in the consolidated profit-and-loss statements presented with the claims for subsidy payment. Since eligibility for subsidy depends upon the amount of profit earned by the slaughterer, the consolidated operating statements of applicants and all affiliated companies (including both meat and nonmeat operations) must be analyzed for accuracy and consistency and for conformity with generally established accounting methods.

A total of 231 claims, totaling $3\frac{1}{2}$ million dollars, have been received to be audited. Ninety-five of these claims have now been completed. Of these, 80 claims, amounting to a total of \$706,611.16, have been invalidated as a result of our audits; and 15 claims, amounting to a total of \$331,819.28, have been approved. Where overpayments have been made, the applicants are required to make cash refunds to the Government. Based on our experience over the past 3 or 4 months, further savings to the Government of approximately \$1,800,000 will result from completion of the remainder of these claims.

On the basis of work experience, it will require approximately 5 months to complete the audits. Twenty-three field accountants are assigned to the program, and 11 review accountants, supervisory and clerical personnel. No price personnel is assigned to this program.

FUNCTION AND IMPORTANCE OF PRICE CONTROL AND RATIONING

Mr. CANNON. Mr. McCullough, why was the Office of Price Administration established? What was its need and what was its function?

Mr. McCULLOUGH. Mr. Cannon, just before this war began, as you will recall, in the period of defense preparations, it was clear that the United States would have a serious economic problem of adjusting itself to a war economy. It was recognized that some control over prices would be required, or that those prices would either follow the course that they did early in the First World War, or perhaps a more drastic course upward because of the greater pressure expected. Congress passed an Emergency Price Control Act in 1942 to meet this problem and to provide some stability to the economy. That had the result of stabilizing the economy, promoting the war effort, and making possible a smoother transition to peace.

Mr. CANNON. The need for stabilization has been demonstrated in every war in which we have been engaged, and it was more than ever needed even before we started at war in order to stabilize our economy.

Mr. McCULLOUGH. Yes.

Mr. CANNON. Without it there would have been such an amount of disturbance in price as would have rendered our problems doubly difficult.

Mr. McCULLOUGH. Yes; that is true.

Mr. CANNON. That did secure the desired result and did stabilize prices and it did distribute materials equitably?

Mr. McCULLOUGH. Yes; I think there is a clear indication of that in the narrow range within which prices were held during the period of the war.

The record of price control indicates that it was not until those controls were substantially removed that prices following the end of the war began to rise rapidly.

DISCUSSION OF SUGAR CONTROL

Mr. CANNON. Take, for example, sugar. Give us a parallel comparison for prices of sugar in the First and Second World Wars, and your opinion as to what would have happened to sugar both as to price and distribution in the second war had it not been for the operation of the Office of Price Administration.

Mr. McCULLOUGH. As you will recall, Mr. Cannon, the price of sugar during the First World War, uncontrolled, began to rise rapidly shortly after the war began because of shipping difficulties, and I believe the price of sugar for a short time exceeded 30 cents a pound. I do not recall the exact figure. That provided some serious dislocations in the distribution of sugar and some hardship on people who bought sugar, or to put it into other goods.

In this war sugar was one of the foods under price control at an early date, and between the beginning of the war and the end of the war sugar had advanced to a very small amount. I believe the price today is less than 8 cents and if I am not mistaken it started at about 6 cents in 1941. Perhaps fully as serious as the problem of sugar price in this war would have been the problem of sugar distribution.

We have seen during the period of the war that sugar was in very short supply, and even without rationing there would have been the problem of sugar distribution. There was an emotional significance in sugar scarcity for the American people, even though sugar is no more essential than some other food, but it is very valuable as food.

An example of the channeling method was in the use of a greater amount of sugar for the production of cereal grown products during the war than for less essential foodstuffs, so the cereal manufacturers during the war received a higher percentage than the manufacturers of some other less essential goods.

I think today the pressure on sugar prices and the shortage of sugar available to this country is still such that there would be very serious dislocation in our economic system if price control were removed, with an increase in price.

Mr. CANNON. What would you have expected if there had been no control, or if control were inefficient today? To what price would sugar probably go, and to what extent would the housewife be able to get sugar if the supply were not available?

Mr. McCULLOUGH. I am not an expert in the field of sugar price and distribution, but I think some of the people in the trade have estimated that sugar would very shortly exceed 40 cents per pound if price controls were removed, and without distribution controls in the form of rationing the difficulty of keeping price control on sugar would be increased very greatly.

Mr. CANNON. Would the large producers, processors, bakers, confectioners, distillers, would they corner the market and take most of the supply and the individual householder would have difficulty in getting her share?

Mr. McCULLOUGH. I think undoubtedly two things would result, Mr. Cannon: People who have access to the sugar at the source would undoubtedly get an unfair share, because many of those who have access to the sugar at the source are manufacturers who do not wait for the refined sugar to be sold in this country but who acquire their sugar outside of this country in normal times and import it themselves, and either refine it or have some one else refine it for them.

With a situation like that obtaining, obviously, the householder would not have an equal opportunity to get her share.

SERVICE OF OPA TO THE COUNTRY

Mr. CANNON. The Office of Price Administration, then, has rendered during the war and since the war and is still rendering an indispensable service?

Mr. McCULLOUGH. I assume that is a statement and not a question, Mr. Cannon. I agree with you.

Mr. CANNON. Now, you are also rendering, or giving service to the consumer, generally, and you are serving the public and rendering a service which is of great economic value to the consumer and to the public and to the Government at this time. In addition to that you are rendering a service which is producing revenue more than justifying in its financial returns. For example, your auditing in the coal and oil industries, in alcohol production, and in these other similar activities, has brought into the Government substantial revenue which otherwise would not have been secured.

Mr. McCULLOUGH. It has been very substantial, year after year; yes, sir. You mentioned the fact that OPA is a service agency. I think that aptly describes it, because there has never been an agency that served as large a part of the population. The rationing and price program, as you know, touches the lives of all the people in the country, and touches them rather intimately and seriously, and there has been that problem, the problem of trying to administer a program that reached into every community, and every household, that has made it so important for us to use all the devices that we could develop to get information to the people who were affected by the regulations and get from them a maximum degree of understanding of the program and compliance with it.

Mr. CANNON. That applies both to the consumer and to the trade?

Mr. McCULLOUGH. Yes, sir.

Mr. CANNON. And you are rendering an important service to the veterans? Are your housing and your rent activities one and the same, or are they distinct and separate?

Mr. McCULLOUGH. No, sir. The sales-control program which we have by delegation from the Housing Expediter is administered by the rent staff.

Mr. CANNON. And that is separate and apart from your rent?

Mr. McCULLOUGH. Sir?

Mr. CANNON. That is separate and apart from your rent?

Mr. McCULLOUGH. No, sir. It is administered by the same staff that administers the rent-control program, and the reason that was

delegated to the Office of Price Administration was the fact that we have these six-hundred-odd offices located in as many communities in the United States.

Mr. CANNON. And you are protecting the veteran against the profiteer, the black marketeer, and you are to that extent, and as far as is possible, making housing available to him at a reasonable price?

Mr. McCULLOUGH. Well, I think with respect to rent control, housing is being made available to him at a fair price. I think with respect to housing, the sheer cost of building houses today, Mr. Cannon, brings those houses to him at a pretty high price even though they are sold at the legal price. The price which the builder has agreed to sell them for.

Mr. CANNON. But you render every service within your power to protect him and secure him fair and reasonable terms?

Mr. McCULLOUGH. Yes, sir; that is true.

ENFORCEMENT AND ADMINISTRATION OF EMERGENCY PRICE-CONTROL
ACT

Mr. CANNON. Then you are serving the public, serving the consumer, serving the Government, and serving the veteran, and of course, in enforcement of any law, because law means control of those who will not be fair and do not want to be fair, there is always opposition to the enforcement of any law, and in enforcement in some communities, you find opposition to an enforcement of the law as well as support of its enforcement. I take that for granted.

Mr. McCULLOUGH. Yes, sir. Right now, in several communities in the country, there is a very urgent plea to increase the manpower assigned, for example, to the sales-control program, so that the houses that are being constructed with priority assistance can and will be sold to veterans eligible to buy them at the prices at which the builder agreed to sell them.

Mr. CANNON. It is simply, again, the experience we have had in the enforcement of any law. You cannot enforce any law without displeasing somebody?

Mr. McCULLOUGH. Yes, sir; that is inescapable.

Mr. CANNON. But you have followed the mandate of Congress. The law is mandatory. You have no choice but to enforce the law. You are directed to enforce the law and you have complied with the mandate of Congress both during the war and at the present time; is that true?

Mr. McCULLOUGH. Yes, sir; to the best of our ability we have done that, Mr. Cannon. And each year, when the question of the renewal of the Emergency Price Control Act has been before the Congress, our methods of enforcement and our methods of administration have been subject to very close scrutiny.

We have given the congressional committees interested in them full information on our enforcement and administrative activities, and I believe we can say that those methods have, in general, been approved by the Congress.

Mr. CANNON. And at the present time in the operation of the OPA and in the program which you have ahead of you here, you are pro-

ceeding under the statute, you are complying with the provisions of the law?

Mr. McCULLOUGH. That is correct.

Mr. CANNON. And you expect to do that in the future and if there is any objection to this program, the remedy is to repeal the law or to amend the law?

Mr. McCULLOUGH. Yes, sir.

Mr. CANNON. And until it is repealed or amended, it is your duty to proceed with its enforcement as you are proceeding at this time?

Mr. McCULLOUGH. That is correct, Mr. Cannon.

REDUCTION IN STAFF

Mr. CANNON. Now, as your field of activities has been curtailed, and as need for your service has declined, you have steadily reduced the scope of your activities and reduced your personnel accordingly.

At the peak, what was your employment? What was the largest number of people you had on your pay roll at any one time?

Mr. McCULLOUGH. I believe about 65,000 people, Mr. Cannon.

Mr. CANNON. And with the discontinuance of the regulations and with decontrol, you have reduced that number steadily and consistently until you have, at the present time, how many?

Mr. McCULLOUGH. On February 1, that staff had been reduced to 14,419 employees for the entire country.

Mr. CANNON. Well, that is quite a drop, from 65,000 to 14,000.

And you are continuing to drop employees as opportunity affords, as the lessening of your duties makes it possible, and you do not think that you have on your rolls, at any time, any superfluous employees, any employees who could be dispensed with, if you carry out the law?

Mr. McCULLOUGH. As I said before, if we discharge the responsibility that we now have through the remainder of this fiscal year, I believe the estimate we have submitted is very conservative. As a matter of fact, we will have great difficulty in handling some aspects of our work, because of the staff reductions which we have anticipated here.

I believe that it will be of interest to know that the appropriation that was made initially by the Congress is \$101,000,000, which was to be enough to carry our present activities until some time in March, and without a deficiency appropriation, it would be necessary at that time to liquidate immediately the rationing, rent control, sales control, and other programs which we are now carrying.

Mr. CANNON. And in reducing your personnel, you have applied the regular routine civil-service procedure?

Mr. McCULLOUGH. Yes, sir.

Mr. CANNON. You have given them the notice that is usually given in all civil-service employment. They have had that notice, have they?

Mr. McCULLOUGH. That is correct.

Mr. CANNON. And they have received no allowance or terminal pay of any kind to which they are not entitled under the civil-service law?

Mr. McCULLOUGH. Only those which they have earned.

Mr. CANNON. And that would be for a service over so many months, that they are entitled to so much leave, and that is the law and they cannot be deprived of it?

Mr. McCULLOUGH. That is correct.

Mr. CANNON. If the law is to be administered?

Mr. McCULLOUGH. That is correct.

NEED FOR PRICE CONTROL DURING WAR EMERGENCY

Mr. CANNON. Now, if there should be another war, and we cannot say that there will be or there will not be another war, since we did not expect to go into the war in 1917 and certainly did not expect to go into war in 1941, and we do not expect to go into another war, but that does not mean we will not have another war, but if we should have another war, is it reasonable to suppose that the war could be fought without price control and without an Office of Price Administration or its counterpart?

Mr. McCULLOUGH. I think it is clear from the record of the last war, World War I, Mr. Cannon, and from the record of this war, that economic controls, such as those that we were charged with carrying out during this war, are indispensable.

During the First World War, as you know, we had no price control, and the cost of that war was needlessly increased because of the lack of control on prices.

As a matter of fact, it is estimated that the total cost of the World War I was \$32,000,000,000, and that some \$13,000,000,000 was a needless expenditure because prices were permitted to go their merry way.

Now, in this war, the cost has been almost tenfold that of the cost of World War I, and I think it is reasonable to assume from an analysis of the cost of this war, an analysis of the trend of prices in the first war and this war, that the added cost of World War II, had there not been price controls, would have exceeded \$80,000,000,000.

Mr. CANNON. Then it follows necessarily that if there should be another war, one of the first things that would be done would be the reorganization of OPA and the establishment of price control; is that not so?

Mr. McCULLOUGH. I think that the Congress would undoubtedly feel that it was necessary even before the outbreak of hostilities to enact measures that would permit prices to be placed under control.

PRESERVATION OF OPA RECORDS

Mr. CANNON. Now, that being true, then, it being absolutely certain that in case of another war, we would have to have another OPA, would it not be elementary business common sense for us to preserve at this time our formulas and our experience with OPA, so that we will be in a position to go right ahead when the war starts, with something to guide us?

Of course, we have made mistakes, inevitably. We could not expect to be 100-percent perfect. But we have made mistakes, in OPA, no doubt due to the fact that we were largely in an untried field. We had no blueprints to go by.

Now, if we preserve the history of the OPA in this war, we will have something upon which to predicate the establishment of a similar control in the coming war. We will have a blueprint to go by so that it is the part of good business for us to write the history and retain the

formulas and charts that we have used and our experiences which we have had in enforcing price control in this war.

Money spent for that purpose would be well spent, in case of the resumption of hostilities?

Mr. McCULLOUGH. I think it would be one of the wisest investments that the Government could make, Mr. Cannon.

At the end of World War I, the whole home-front-control machinery was dismantled very abruptly and there was not even an adequate record made of the elementary controls that were established at that time.

About the only record of value that was made was the record put down by Mr. Bernard Baruch, which he published at his own expense, under the name of "Taking the Profits out of War," and long before this war started, that book was out of print and unavailable, but during the interval between these two wars, the Army made plans for industrial mobilization in case war should come again, but the OPA did not have adequate data on which to base its plans, and when this emergency arose, we were virtually without a blueprint, virtually without guidance.

You are very correct in saying that we have made many mistakes in OPA. I think our mistakes have been unfortunate.

Mr. CANNON. And those mistakes could have been avoided if you had a plan to go by and experience to go by?

Mr. McCULLOUGH. Yes, sir; I think largely they could have been.

I think if we want to avoid those in the future, we must have, not just a narrative of what has taken place during this price control period, but an analysis of what was done, and I believe that the investment we are proposing to make in this activity is the smallest investment in relation to the possible needs of the country that we will have made during the entire course of our activities.

Mr. CANNON. Now, the War Department is sealing up and putting away guns and ships and paraphernalia. It is just as important economically that we seal up and put away for future use the material which will be of value to us in case we go into another war. That is true, is it not?

Mr. McCULLOUGH. Yes, sir. That is correct.

And not only that, Mr. Cannon, but there is data that has been gathered by the Office of Price Administration in accordance with the Emergency Price Control Act, which has cost the Government, the people, a very large sum of money to get together.

Much of that data exists nowhere else in the United States.

It would cost a very large sum of money for any other agency to undertake to put it together.

Mr. CANNON. And it should not be allowed to be dissipated and lost.

Mr. McCULLOUGH. It is of immediate use to many agencies of Government and to industry. It is that data that we propose to get together in a minimum of time and with a minimum of staff in this economic data analysis office.

Mr. CANNON. And, of course, in that work you pick the best men you have in your Department. The top ranking men who have had both training and experience, to know what is important and what should be preserved, and to put it away in a form in which it will be promptly available in the case of future need?

Mr. McCULLOUGH. To the greatest extent possible, I think that record must be made by the people who made the decisions—the people who made the policy. Because they are the people who know what the alternatives were that were considered before a decision was reached. They are the people who can best point out the mistakes that they and their associates made and maybe the course that would be more constructive or would have fewer mistakes in it, should there be any future need for such a program.

Mr. CANNON. You could not take your lowest-priced men and expect to get the best results in work of that character.

Mr. McCULLOUGH. I think it would be better if the work went undone if it is not done by the most competent people that we can keep; and it is very difficult, in these days, as you know, to persuade people to stay on. I think we have been fortunate to an exceptional extent, because in getting people to agree to record this experience and make this analysis, these are people many of whom, and scores of whom, left their businesses at personal sacrifice and who came to Washington to do a wartime job. Many of them have gone back.

I cite people like Jim Brownlee and Dean McNeil, and other people like that, who have held important positions in the agency. They are contributing something, I think, that is invaluable and something we cannot capture, if we postpone the time of putting it down.

Mr. CANNON. And if not correctly analyzed and properly evaluated and organized, it might do more harm than good when the time came to use it? That is possible?

Mr. McCULLOUGH. Yes. I think that an inadequate narrative would be not useful. I think it would be a waste of the Government's money.

Mr. CANNON. Now, your program carries your work until its discontinuance under the law. How long is that, under the present law? How long will your activities continue?

Mr. McCULLOUGH. The Emergency Price Control Act expires June 30, 1947.

Mr. CANNON. And you would require funds to carry you to that date.

RATE OF EXPENDITURES

At your present rate of expenditure, how much are you expending a month?

Mr. LLEWELLYN. The actual obligation at the present time is something over \$6,000,000 for the month of January. That will be decreased somewhat in February. It will get down to an expenditure or an obligation rate of something over \$5,000,000.

Mr. CANNON. Would you say it would probably be stabilized around \$5,000,000 a month?

Mr. LLEWELLYN. Something over that.

Mr. CANNON. Somewhere between \$5,000,000 and \$6,000,000?

Mr. LLEWELLYN. Yes.

Mr. CANNON. How much have you on hand at this time unobligated and uncommitted?

Mr. LLEWELLYN. Do you mean January 1 or February 1?

Mr. CANNON. As of February 1.

Mr. McCULLOUGH. Well, we had \$27,000,000. Is that correct?

Mr. LLEWELLYN. Yes. And the estimate is that our obligations will be \$80,000,000 at the end of January. That would leave us \$21,000,000.

Mr. CANNON. Then, at this rate of expenditure, have you sufficient money on hand to carry you to the statutory end of your service?

Mr. LLEWELLYN. No; we do not have.

Mr. CANNON. How much do you lack?

Mr. LLEWELLYN. We lack \$5,950,000 to cover the requirements to June 30, 1947.

Mr. CANNON. To carry you to June 30, 1947?

Mr. LLEWELLYN. That is right.

Mr. CANNON. That is all, Mr. Chairman.

The CHAIRMAN. Mr. Mahon?

OVER-ALL COST OF OPA

Mr. MAHON. Could you give us a rough over-all figure of the amount of money that the OPA program has cost us in administration?

Mr. McCULLOUGH. For the duration of the war?

Mr. MAHON. For the duration of the war, omitting subsidies that have been paid out.

Mr. LLEWELLYN. I do not have that figure available. I would be glad to give it to you. It is a matter of adding appropriations, and we can get that quite easily.

(The information is as follows:)

<i>Office of Price Administration</i>		<i>Total obligations for administrative expenses</i>
From appropriation for fiscal year:		
1942	-----	\$22,380,067
1943	-----	125,207,662
1944	-----	167,691,332
1945	-----	185,605,419
1946	-----	148,485,848
1947 (to Jan. 31, 1947, estimated)	-----	80,123,327
Total to Jan. 31, 1947		729,493,655

Mr. MAHON. From the standpoint of time and from the standpoint of money, the job of the OPA is hastening toward a conclusion?

Mr. LLEWELLYN. Yes.

Mr. McCULLOUGH. Correct.

Mr. MAHON. Unless the Congress shall decide to perpetuate it beyond June 30?

Mr. McCULLOUGH. Yes.

DISCUSSION OF COST OF PRESENT CONTROL PROGRAM

Mr. MAHON. How many items at one time or another—or, say, in the peak of the program, rather—were controlled or rationed?

Mr. McCULLOUGH. It was estimated a year before last that there were some 8,000,000 items under price control at that time.

Mr. MAHON. Well, critics of your program might say the cost was so much to operate when you had 8,000,000 items under control, and now you have only 2, so that you ought to cut down proportionately.

What would be your answer to that?

RENT CONTROL WORK LOAD

Mr. McCULLOUGH. I think an analysis of what we were spending for each of these items would obviously be the best answer. We did not increase our expenditure in any other activity by virtue of price decontrol. Instead, we cut our staff at every spot where a service was being provided to the price program—a cut that was proportionate to the amount of work that was being done by that staff on the price program.

And I would welcome an opportunity, if this is an appropriate time, to show the work load in rent that has made it necessary to increase the staff by an amount that seems pretty large here this long after the war has ended.

We have here a graph which shows the increase in the work load and the increase in the manpower, and it has only been by a constant analysis of the job to be done in area rent offices and simplification of work methods and improvement of efficiency that we have been able to do this job even with a rent staff that has increased to this extent.

Mr. MAHON. Well, you have areas under control that are approximately 20 percent in excess of what you had prior to July 1, 1946?

Mr. McCULLOUGH. Excuse me. I am sorry?

Mr. MAHON. I say, you have areas under control now, or about to have them under control, in excess of 20 percent of what you had in July of 1946?

Mr. McCULLOUGH. Yes, sir. But the work load has increased, I think, primarily, for two reasons.

Had we not opened a single new area after July 1, we would have had a tremendous increase in work load because of the landlords' petitions—that is, where they make a change and believe they are entitled to an increase in rent, those have increased very substantially—that is, since the spring of this year.

I would just like to indicate the extent to which that increase has taken place by quarters, for example.

The landlords' petitions are those applications for increases in the rent, and in the first 3 months of this year the monthly average that we received in area rent offices was 25,900; and in the quarter ending in October that had increased to 48,000.

Mr. MAHON. Do you mean in each office, or for all of them?

Mr. McCULLOUGH. For all of the offices.

Mr. MAHON. Yes.

Mr. McCULLOUGH. Forty-eight thousand applications per month. That is, roughly, double.

Compliance action is taken in the area offices. That is to get rent back in line where there is a violation and to try to do it without putting the landlord to the expense of an enforcement action. Those have increased from 44,000 in the first quarter to 57,000 in the third quarter, and that figure is still rising.

Mr. MAHON. Incidentally, referring to the applications of the landlords for readjustments in the many thousands, could you give me an approximate figure as to the number that have been given some form of relief—the percentage?

Mr. McCULLOUGH. May I ask Mr. Carson to give you that? While he is getting that figure, I should like to use one other figure.

You asked me the question as to how many things were under rent control, or price control. I did not include rents.

In addition to the 8,000,000 items that are estimated to have been under price control, there are something upward of 16,000,000 dwelling units, as you know, under rent control.

Mr. CARSON. Up to December, we have processed 1,691,209 landlord petitions for rent adjustments and have granted, in whole or in part, 986,971.

That is broken down. I will be glad to furnish the committee, in the record, the break-down of that number, by the types of adjustments that were made.

Something around 300,000 had nothing to do with any change in the property or increase in services on the part of the landlord but were for other reasons and were made—and those regulations or provisions were put into the regulations—because it was recognized that in a number of instances it would not be fair to hold the landlord to the rent on the original rent base.

Mr. MAHON. Well, I am surprised that you testify that in the large percentage of the cases where the applications have been made for readjustment by the landlord that some kind of favorable action has been taken. I had the contrary opinion.

Mr. CARSON. I want to put that in the record, if I may.

Mr. MAHON. All right.

Mr. CARSON. That is the break-down of these various adjustments. (The information is as follows:)

Grounds for granting-landlords' petitions for increase in rent, United States, cumulative as of Dec. 31, 1946

Number of petitions for increases in rent processed	1, 691, 209
Number of petitions for increases in rent granted	986, 971
Grounds for granting increases in rent:	
Increase in furniture, services, equipment	461, 526
Major capital improvement	300, 018
Special relationship	104, 798
Increase in occupancy	103, 241
Seasonal and varying rent	26, 957
Other	26, 111
Long-term lease	10, 475
Peculiar circumstances	10, 154
Substantial hardship	5, 639

Mr. McCULLOUGH. I think we may say, added to that, that at the present time, of the petitions that are being filed, I believe some 60 percent are presently being granted.

Is that correct?

Mr. CARSON. Approximately correct. Over all, about 57 percent.

The CHAIRMAN. No resistance on the part of the agency?

Mr. McCULLOUGH. I beg your pardon?

The CHAIRMAN. No resistance on the part of the agency?

Mr. McCULLOUGH. I am sorry. I do not understand.

The CHAIRMAN. No resistance on the part of the agency.

Mr. McCULLOUGH. There is no resistance to granting an adjustment if that adjustment is indicated in our table; no, sir.

Mr. MAHON. Well, the implication of your testimony is that if rent control is to continue, and that is a matter that is in the hands of the Congress, that you have to have sufficient personnel to operate it, or else the landlord who now feels he is getting an unfair deal at the

hands of the OPA will have less hope for any adjustment of his difficulty.

Mr. CARSON. We would be handicapped in all of our operations, and the petitions would be one of them, particularly since we are liberalizing two of the grounds for adjustment at the present time, which should and we hope will assist smaller property owners.

LIQUIDATION COSTS

Mr. MAHON. If rent control should be abolished by the Congress immediately, and OPA should be abolished, I should say, would we be able to recover some \$25,000,000 or \$30,000,000 from this appropriation?

Mr. McCULLOUGH. If the Congress should decide, let us say, any time during the month of February, that it was not desirable in the public interest to continue these programs and should direct the liquidation of the agency, the amount that could be recovered would be relatively small now, because we would be obligated to carry out the Government policies with respect to termination notices to employees, but more important the cost of liquidating and paying all the terminal expense would consume most of the remainder of our appropriation.

Is that correct?

Mr. LLEWELLYN. Yes. We would have to start about March 1 with the 30-day notices. Then with terminal leave and liquidation expenses, property disposal, records disposal, and a number of things we would have to do before we could get the liquidation job down to the point of turning it over to another agency, we would have practically nothing left out of the \$101,000,000 of the present appropriation.

Mr. MAHON. Does that mean that if OPA is not liquidated until after June 30 that you will have that expense, anyway, on a later appropriation?

Mr. LLEWELLYN. Of course.

Mr. McCULLOUGH. That would be correct; yes, sir.

ECONOMIC DATA AND POLICY ANALYSIS

Mr. MAHON. Now, as to these records and this historical analysis that you propose, how much money is going to be required for that? I believe that is in the record already.

Mr. McCULLOUGH. Yes, sir. I do not have a dollar figure here for it.

Mr. MAHON. About how many people and about how much?

Mr. McCULLOUGH. We have 55 people assigned to the policy-analysis activity until the end of June.

Now, I know you will bear in mind that there were some 650 price regulations, a large number of which are of great economic consequence to the country.

This record, also, and this staff, includes the staff necessary to make a record of the rationing and rent actions.

RECORDS DISPOSAL

Mr. MAHON. A Member of Congress probably receives a minimum of fifteen or twenty thousand pieces of mail a year. The problem of filing and keeping records is something we all know something about.

What happens to an agency like yours when it is liquidated? All of the correspondence, and such? Is it anticipated that most of it will be destroyed?

Mr. McCULLOUGH. A great part of it is destroyed.

The principal thing on which people are engaged during this 30-day notice period, which is not a period when they have nothing to do by any means, is getting records in shape, disposing of the disposable records, and getting records that need to be retained in shape for retention so that they will be of some value.

Now, some agencies in the past have waited until the agency was terminated before beginning this records disposal job. In those cases, it has had to have a staff work 2 or 3 or 4 years to complete those records so that they would be of any use.

We felt that that was an unnecessary waste of manpower and time, and we are working on our records to have them available for disposition to the Archives as promptly after the agency is liquidated as possible.

As a matter of fact, the very voluminous price records which constitute the greatest bulk of our records, have been weeded out and the valuable part of the records separately filed, and are now virtually ready for transmission to Archives.

Mr. MAHON. Thank you very much. That is all.

NUMBER OF EMPLOYEES IN WASHINGTON OFFICE RECEIVING OVER \$4,000

The CHAIRMAN. Now, I would like to have in the record a memorandum that I have prepared, a summary of this book that the organization has furnished, regarding the Washington office, the number of employees in the different types.

(The matter referred to is as follows:)

Employees of the Office of Price Administration, in the Washington office only, receiving salaries of \$4,000 per annum and up, at Jan. 15, 1947

Assistant administrators.....	8	Business specialists.....	6
Economists.....	122	Graphic analysts.....	2
Auditors.....	13	Executive officers.....	10
Personnel assistants.....	5	Special advisers.....	6
Personnel officers.....	26	Deputy administrators.....	3
Accountants.....	147	General counsel.....	4
Investigators.....	37	Rationing executives.....	2
Field representative.....	1	Rationing analysts.....	2
Price executives.....	14	Stenographic reporter.....	1
Analysts.....	187	Printing and publications special-	
Administrative officers.....	21	ists.....	4
Labor relations advisers.....	6	Training specialists.....	8
Attorneys.....	168	Commodity standards special-	
Directors.....	25	ists.....	2
Administrative assistants.....	14	Auditor supervisors.....	6
Information specialists.....	13	Administrator.....	1
Archivists.....	4	Historians.....	6
Engineers.....	7	Procurement assistant.....	1
Field representatives.....	22		
Statisticians.....	10	Total.....	914

The total of annual salaries for the positions listed was \$5,790,454 at the date stated above.

The CHAIRMAN. I also want to insert in the record a table showing summary of employment as of January 15, 1947.

(The table is as follows:)

Office of Temporary Controls, Office of Price Administration—Summary of employment as of Jan. 15, 1947

Region and location	Employees at grades P-3, CAF-8, and above ¹		Employees at grades P-2, CAF-7, and below		Total employment	
	Number	Total annual salary	Number	Total annual salary	Number	Total annual salary
National office, Washington	917	\$5,658,122.00	851	\$2,300,144.00	1,768	\$7,958,266
1. Boston	331	1,705,402.95	596	1,499,404.05	927	3,204,807
2. New York	752	3,851,318.00	2,258	5,787,994.00	3,010	9,639,312
3. Cleveland	567	2,854,087.00	979	2,425,727.00	1,546	5,279,814
4. Atlanta	567	2,896,339.60	1,040	2,683,534.40	1,607	5,579,874
5. Dallas	583	2,968,114.60	1,241	3,122,479.40	1,824	6,090,594
6. Chicago	562	2,952,627.05	1,087	2,668,479.95	1,649	5,621,107
7. Denver	180	959,007.70	371	1,002,077.30	551	1,961,085
8. San Francisco	498	2,544,893.00	1,091	2,807,446.00	1,589	5,352,339
9. Washington regional office and territories	39	266,393.25	67	233,523.75	106	499,917
Total	4,996	26,656,305.15	9,581	24,530,809.85	14,577	51,187,115

¹ This column is in agreement with individual listing of name, title, grade, and salary of employees in this category furnished to the chairman, House Appropriations Committee.

The CHAIRMAN. I just want to call attention to what seems to be a very rank case of discrimination.

In this table which I furnished, and I suppose you are familiar with this, there is this case illustrated.

Mr. McCULLOUGH. Yes, sir, I know it.

The CHAIRMAN. In the Washington office you have more than one general for every private. In the Boston office you have only 1½ privates to a general. In the New York office, you have three privates for every general.

In the other offices, it runs anywhere from 1½ to 2.

I am wondering why it is that when New York can get along with one general to three privates, that the rest of the regions cannot.

Mr. McCULLOUGH. Well, I believe that we have consistently followed here the Civil Service Classification Act as we are required to do not only by that act but by the Emergency Price Control Act, and the kind of job to be done varies considerably from one part of the country to the other.

The CHAIRMAN. The biggest part of New York is rent, is it not?

Mr. McCULLOUGH. I beg your pardon?

The CHAIRMAN. There is nothing over there but rent, is there, to speak of?

Mr. McCULLOUGH. The rationing program is a very large activity in the New York region, as well, and the number of clerical employees to the number of professional employees increases as the size of your staff increases.

The CHAIRMAN. Yes, sir. And your over-all picture calls for two million more for generals than for privates. That is something that anyone with any knowledge of business would kind of be obliged to think about in considering appropriations.

I think that is all I have.

Does anyone else have any questions?

If not, that is all for the OPA.

The committee will stand in recess until 10 o'clock tomorrow, and we will try to get pretty well cleaned up on most of these things.

TUESDAY, FEBRUARY 4, 1947.

CIVILIAN PRODUCTION ADMINISTRATION

STATEMENTS OF MAJ. GEN. PHILIP B. FLEMING, TEMPORARY CONTROLS ADMINISTRATOR; JOHN C. HOUSTON, Jr, COMMISSIONER OF CIVILIAN PRODUCTION; DAVID NOVICK, DIRECTOR, BUREAU OF DEMOBILIZATION; AND JOHN W. HARRISON, BUDGET OFFICER

The CHAIRMAN. We will take up first this morning the items for the Civilian Production Administration.

General FLEMING. Mr. Chairman, after deducting the \$1,200,000 recommended for rescission the balance available to the Civilian Production Administration will last until the end of the calendar year.

Mr. Houston is the Commissioner of the Civilian Production Administration. He is here this morning and will bear the brunt of the questioning because he is much more familiar with the internal status than I am.

The CHAIRMAN. Mr. Houston, we will be glad to hear from you.

GENERAL STATEMENT

Mr. HOUSTON. Mr. Chairman, we have submitted to this committee in advance of the hearing today a brief statement covering the basis for our rescission.

I have also prepared a statement which I will give to the reporter, and rather than try to read it, even though it is rather brief, I think I will summarize it quickly.

At the present time the major activity of the Civilian Production Administration relates to the housing and construction program which, as of December 31, required 2,470 of the 3,476 employees in our organization. As our program now stands, out of a total of 2,500 employees at June 30, 1947, 2,050 will be assigned to activities arising in connection with the veterans' emergency-housing program.

As you gentlemen know, the priority power which is exercised by the CPA under the Second War Powers Act will expire on March 31, with the exception of that relating to building materials, for which the authority extends until June 30. In exercising this power, the Civilian Production Administration has consistently followed the policy of relaxing controls when they are no longer required. At the present time we have in force only 23 orders and 5 schedules and appendixes having canceled 12 orders and 1 schedule since the establishment of the Office of Temporary Controls.

There are a few materials in world-short supply, for which continuing control will be necessary in the national interest. These include antimony, cinchona, hard fibers, rubber, and tin. In addition, continuing control over some exports will be necessary. CPA has recommended that authority be requested for the continued control over these items and our budgetary plans provide for this in the event that the Congress extends the required authority.

Although greatly reduced in scope, Priorities Regulation No. 28 will be continued in effect. This is the regulation under which priorities assistance is given for military procurement and veterans' hos-

pitals. It is also used for essential utility services or in an emergency to eliminate serious hazards to the life, health, or safety of a large number of people. In connection with the veterans' emergency housing program, it makes priorities assistance available under special conditions. The objectives for which assistance is given under the housing program are (1) to maintain or increase the production of a building material or product in critically short supply, or (2) for capital equipment which is a bottleneck in the production or erection of housing accommodations.

As a result of the orders which have been canceled and our plans for further revocations, we have issued reduction-in-force notices to the employees affected and have prepared further reduction schedules. Early in November we discontinued the employment of persons outside the agency to fill essential positions which became open as a result of resignations. In the departmental service all necessary replacements since that time have been made through the transfer of employees—veterans and status people—engaged on orders scheduled for revocation. In addition to the cuts in personnel effected by this means, reduction-in-force notices have been issued to some 220 employees and schedules are now being prepared for the issuance of additional notices to effect further reductions coincidental with the revocations of orders and the discontinuance of functions.

Although we are in the process of retrenchment in programs relating to our responsibilities for reconversion, our operations in support of the veterans' housing program will continue at approximately the present level. Our work in this field accounts for 70 percent of the present personnel and budget of the agency.

Since operations in connection with the veterans' housing program will require over two-thirds of the budget for the remaining period, I would like to describe briefly the operations which are carried on under this housing and construction program. As the supply of building materials is insufficient to permit an unrestricted construction program, it has been necessary to administer an order which permits only that construction determined to be essential and nondeferrable. Under this order—VHP-1—any individual desiring to construct a nonhousing project must apply to the CPA for permission. Such applications are reviewed by our field offices in accordance with standards and policies which we have adopted. If it is determined to be essential and cannot be deferred, necessary authorization for the construction is issued and projects determined to be nonessential or deferrable are rejected.

By means of this order the limited supply of building materials is conserved for housing construction and the essential and nondeferrable nonhousing projects. Recently we have relaxed the restrictions under this order to permit a greater proportion of nonhousing construction because of the improved supply of building materials. As the supply of materials improves, further relaxation in the order will be made. However, it is expected that this order will be necessary at least throughout the balance of this fiscal year.

Equally important under the housing program are our operations in promoting the increased production of scarce building materials. The major activity in this connection has been to assist industry in obtaining necessary scarce materials and equipment by granting them priorities and facilitating their production and procurement by field

assistance. We also have been assisting the Housing Expediter in the administration of the premium-payment plans for the production of building materials. Our operations in this connection include advice and assistance in the development of such premium-payment plans, the review and analysis of applications made under the plan, and the review and audit of the operations of the plans and the payment made. Entirely separate from these premium-price activities has been our work under the premium-price plan for copper, lead, and zinc. On January 27 our responsibilities for copper, lead, and zinc were transferred to OWMR and the moneys which are being transferred for that purpose have been included in our estimated requirements.

To summarize, our program for the balance of this year will be (1) to continue our support of the housing program through the administration of an order limiting construction and by increasing the production of building materials; (2) to liquidate those functions for which authority expires or which are determined to be unnecessary; (3) to administer controls over those materials in world-short supply and the export controls which are authorized by the Congress; (4) to discharge other responsibilities required by previous legislation; and (5) final liquidation of WPB and CPA financial and property accounts, and the preparation of the record of the work of the WPB and its predecessors.

In connection with this last project, I should like to say that I am extremely interested in the adequate and successful completion of the work on the history project. When our industrial mobilization first started in 1939, those charged with responsibility found that there was little available to guide them either in new work done by the Government since 1918 or in the histories and records of the agencies engaged in similar activities in World War I. CPA's program has already developed a substantial volume of useful and usable material in this field, and I think the work should be completed on this same high level of achievement.

(The general statement referred to above is as follows:)

OFFICE OF TEMPORARY CONTROLS, CIVILIAN PRODUCTION ADMINISTRATION

RESCISSION ESTIMATE FOR FISCAL YEAR 1947

Appropriation for 1947

The budget of the Civilian Production Administration for the fiscal year 1947 was based on a number of programs, the most important of which are related to (1) the production and distribution of basic materials and consumer goods in critically short supply, (2) the production and distribution of building materials to meet the requirements of the veterans' emergency housing program and essential nondeferrable construction other than housing, and (3) the administration of the order restricting nonhousing construction. The appropriation for these programs of the Civilian Production Administration totaled \$18,000,000, of which approximately \$12,600,000 was for problems arising from the building and construction activity supporting the veterans' emergency housing programs and the balance, or \$5,400,000, was for programs other than housing or construction.

Accomplishments

Substantial progress has been made in the accomplishment of these programs. Industrial production has increased to a new peacetime high, more than 80 percent above the 1935-39 average and 20 percent above the postwar low reached in February 1946. Basic materials are being produced at near-capacity rates,

pipe lines have been filling rapidly, and many consumer goods, such as radios, vacuum cleaners, and washing machines, are being shipped at rates well above prewar levels.

An estimated 20,000,000 workers have been transferred from production of munitions to turning out peacetime goods and, in addition, nearly 11,000,000 service men and women have been absorbed—all of this with peak unemployment of less than 3,000,000, and currently closer to 2,000,000. The country has achieved virtually "full employment"—an all-time peak of 58,000,000, compared with 54,000,000 in July 1945.

Aided by an ever-increasing flow of building materials, new construction activity has more than doubled since VJ-day, and residential construction has increased by more than 420 percent. Lumber production is about 25 percent above VJ-day level, bricks about 150 percent above, clay tile more than 100 percent above, cast-iron soil pipe more than 200 percent above August 1945, and similar gains have been made by other building materials. As a result, supply is moving into balance with requirements and it has been possible to relax many controls, although shortages still persist in such items as millwork, hardwood flooring, and cast-iron soil pipe. Despite increased supplies of building materials, it has been necessary to retain order VHP-1 restricting nonresidential construction in order to assist the veteran's emergency housing program. During the 3-month period, September through November 1946, CPA approvals almost exactly equaled the \$35,000,000-a-week rate established as a goal.

In carrying out its programs the Civilian Production Administration has consistently followed the policy of eliminating wartime controls as soon as their essentiality can no longer be demonstrated.

As a result of this policy, the orders and regulations of the Civilian Production Administration have been reduced to a minimum. During the war period the WPB administered a total of some 700 orders and regulations. Following VE-day, in accordance with plans previously developed, the WPB initiated the removal of many wartime controls and, following VJ-day, the controls were reduced to the minimum required for the transition to peacetime production. At present the CPA is operating under 27 orders, excluding directions, and 5 schedules and appendixes, and of these controls all will be revoked on or before March 31, except those relating to the veterans' emergency housing program and those for which special congressional authorization is obtained.

Continuing program for 1947

During the remainder of fiscal year 1947 the CPA will continue its present functions in support of the housing program. The program for the agency also contemplates continued controls over those few materials in critical world-short supply for which an extension of the priorities powers beyond March 31, 1947, has been recommended by CPA. In addition, other comparatively minor operations required by law will be continued.

Building materials.—The principal program of the agency will continue to be directed toward the increased production of building materials and their conservation for the veterans' emergency housing program. While excellent progress has been made thus far in increasing production of vitally needed building materials, these efforts must be continued to sustain and increase, if possible, the production of all building items needed in the program. To attain this objective the agency will assist the building materials industries to obtain the raw materials and equipment needed to meet the production goals. The agency will also continue to assist the Housing Expediter to administer the various building materials premium-payment plans which have been so effective in increasing the production of such vitally needed items as brick, soil pipe, plywood, etc.

Construction controls.—Of vital importance to the veterans' emergency housing program is the construction limitation order—VHP-1—by which building materials are channeled to housing and other essential construction through the restrictions which are placed upon nonessential and deferrable construction. The production and supply of building materials has not yet reached the proportions which are necessary to support an unrestricted construction program and until supply and demand are more closely in balance some restrictions will continue to be necessary. Administration of the order now permits construction of projects affording maximum benefits of essential community facilities, including utilities, schools, and necessary commercial services for housing developments as well as essential industrial and research projects. As the supply of building materials increases the order will be relaxed to permit an ever-increasing volume of construction. Present authorizations under the order average approximately

\$50,000,000 each week, which is a 40-percent increase over the authorizations issued during the fall of 1946.

Critical materials.—The agency has recommended that priorities powers be continued on a limited number of items which are in world short supply or important to the national welfare. These items include antimony, cinchona, hard fibers, rubber, tin, and uranium and export controls over tractors and automobiles. These programs are of equal or more importance than the housing program but will require a relatively small staff for their administration. The proposed program provides for the administration of controls in these areas in accordance with the recommendations made.

Compliance.—A virgorous compliance program is essential to the success of the agency's program. While only a minimum compliance staff is being retained, reports of violations of orders and regulations must be investigated and followed through with compliance action where necessary, especially in connection with the veterans' emergency housing program. Failure to take action to investigate and enforce the regulations would vitiate the entire program.

Other programs.—In addition to the principal operating programs, the plan for the remainder of the year provides for the continuation of the program on the custody and disposal of records, as required by law. In conjunction with this records program it is planned to continue the historical program of the agency which was undertaken under a Presidential request and which has been continued in accordance with plans that have been approved by the Bureau of the Budget.

Other responsibilities, such as the disposal of cases under the Requisitioning Act, the Contract Settlement Act, and Contract Renegotiation Act, will be continued as required by law.

Fiscal requirements of the program.—As of December 31, 1946, the total employment of CPA was 3,476, of which approximately 2,470 were devoted to programs in connection with the veterans' emergency housing program. The programs which are scheduled for major reduction during the period are those relating to other than housing, for which employment at present totals approximately 1,000. It is estimated that the employment under the latter programs can be reduced by 550 and that an additional reduction of approximately 400 can be made in the administration of functions relating to the housing program. This will result in a total reduction from 3,476 to 2,500, of which 2,050 will be devoted to the housing program and only 450 to liquidating functions and the administration of continuing controls.

Based on the employment projection for the program as stated above, the total estimated obligations for fiscal year 1947 will be \$16,800,000, permitting a rescission of \$1,200,000. There are attached tables showing the estimated obligations under this program by object of expenditure and the estimated employment by organizational unit.

The Civilian Production Administration is performing several functions on which I would like to give you some information.

Our largest activity is in connection with the veterans' emergency housing program. We are handling other activities in connection with the Second War Powers Act, and also other obligations that come from the housing expediter under the Patman Act.

HOUSING FUNCTIONS PERFORMED BY CIVILIAN PRODUCTION ADMINISTRATION

The housing functions which we perform are threefold. In the first place, we administer the construction limitation order which is designed to obtain postponement of less essential nonhousing construction. Secondly, we devote a considerable amount of our activities to increasing the production of critical building materials. As the third function, our compliance staff devotes a considerable amount of its time to the enforcement of the construction limitation order and in obtaining compliance with any of the directives or priorities which we issue.

In connection with critical materials outside of the housing program, we still have a few remaining orders controlling the distribution of such critical materials, which are in world-wide shortage which seriously affect the United States economy, and which very seriously affect world control.

The CHAIRMAN. What are they?

Mr. HOUSTON. All of them which are in effect at the present time, that is all orders which we have in effect at the present time?

The CHAIRMAN. On materials?

Mr. HOUSTON. We have in effect at the present time orders on——

The CHAIRMAN. Do they relate to the materials, one to each material, or to comparatively few materials?

Mr. HOUSTON. One to each material.

The CHAIRMAN. What are they?

Mr. HOUSTON. We have orders on plywood, lumber, antimony, cinchona, hard fibers, rubber, tin and tin cans for packaging, and in connection with the housing program limitation orders on the use of cast iron soil pipe and hardwood lumber. These are orders which relate to materials.

We have an order in effect in connection with inventories so there will not be an excessive accumulation of inventories in the hands of users, and we have the construction limitation order to which I have already referred.

We have priorities regulation 28 under which priorities assistance is granted to a certain limited number of activities, first to military procurement, which is necessary in the national defense, and to assist the Veterans' Administration, chiefly in connection with the hospital program. The order also provides for assistance to meet any serious public emergency which may arise, and to enable the producers of critical building materials, in obtaining raw materials, and equipment to increase the production of those materials.

(The following is a listing of all orders in effect on February 3, 1947.)

SPECIFIC ORDERS IN EFFECT FEB. 3, 1947, TENTATIVELY SCHEDULED FOR REVOCATION
ON OR BEFORE MAR. 31, 1947

Specific orders:

Suppliers' inventories.....	L-63.
Consumer goods inventories.....	L-219.
Softwood plywood.....	L-358.
Lumber, hardwood flooring and millwork.....	L-359.
Iron and steel, including ferro-alloys and associated materials.....	M-21.
Scheduled products.....	M-293.
Potash.....	Schedule 120 to M-300.
Phenolic resin.....	Schedule 121 to M-300.
Textiles, clothing, and related products.....	M-328.
Uranium.....	M-285. ¹
General restrictions on hardwood lumber.....	VHP-2.
Total, 12.	

¹ Control will be taken over by Atomic Energy Commission.

Specific orders in effect Feb. 3, 1947, and required after Mar. 31, 1947

Specific orders:

Sales restrictions for certain plumbing and heating equipment made for FPHA projects.....	L-357.
Export of wheel-type and track-laying tractors.....	L-356. ¹
Export of automobiles.....	L-352. ¹
Tin.....	M-43. ¹
Imports.....	M-63. ¹
Cans.....	M-81. ¹
Matila (Abaca) and Agave fiber and cordage.....	M-84. ¹
Antimony.....	M-112. ¹
Cinchona bark and cinchona alkaloids.....	M-131. ¹
Chemicals and allied products.....	M-300. ¹
Streptomycin.....	Schedule 119.
Rubber, synthetic rubber, balata and products thereof.....	R-1. ¹
Appendix I—General permitted uses of raw materials and permitted products.....	
Appendix II—Manufacturing regulations.....	
General restrictions on construction and repairs.....	VHP-1.
Cast-iron soil pipe—Use restriction.....	VHP-3.
Production restrictions on cast-iron soil-pipe and fittings....	VHP-4.
Total, 16.	

¹ If appropriate legislation is passed.

FUNCTIONAL OBLIGATIONS OF CPA UNDER STATUTES

Besides the functions I have already named we also carry out our obligations under certain statutes, which we must continue as long as those statutes are in effect and as long as our obligations remain in connection with them.

Mr. WIGGLESWORTH. What are those?

Mr. HOUSTON. There are activities under the requisitioning acts of 1940 and 1941. There are claims against the WPB under section 17 of the Contract Settlement Act, and there are certain functions under the Tax Amortization Act.

There are also certain obligations under the Strategic and Critical Materials Stock Piling Act.

We have also requested in our budget for this year moneys to carry out our obligations under the premium price plan for copper, lead, and zinc, which is section 6 (a) of the Price Control Extension Act of 1946. That function has been transferred recently to the Office of War Mobilization and Reconversion in the Office of Temporary Controls. We transferred the personnel and the funds for that to them.

We also have some obligations in connection with the Selective Service Act respecting what are known as compulsory orders, although this has been largely delegated to the Army and Navy. We also have an obligation for auditing, when called upon, of war contractors' books. We are not doing anything under that at the present time, however.

We have certain commitments under the Renegotiation Act. Also, under section 12 of the Small Business Mobilization Act of 1942, we have the right to suspend the antitrust laws in certain cases.

I think that covers all of the active statutory obligations.

The CHAIRMAN. Are they not pretty well cleaned up?

Mr. HOUSTON. Some of them are and some of them are not. I can give you an idea as to which ones are still active and which ones are not.

The CHAIRMAN. That might be advisable.

Mr. HOUSTON. Going back, in the same order in which I named them. Under the requisitioning acts, the power to requisition has expired. But the CPA is responsible for the handling of claims for property requisitioned by the War Production Board during the war, and there is a considerable amount of work in liquidation of claims already filed. There may be more to come in the future.

The WPB as a "contracting agency" under the Contract Settlement Act, must defend claims asserted against it arising out of procurement contractual relations.

The Contract Settlement Act provides relief in cases where procurement contracts were defective or where no contract existed but the claimant acted in reliance upon the supposed authority or request of a Government contracting agency. Many claims are being asserted, based on alleged requests of WPB officials with respect to expanded production of war materials regardless of whether the WPB was to be the procuring agency. There is no termination date to this act.

In reference to tax amortization, we handle claims resulting from the issuance of necessity certificates for the construction of defense facilities pursuant to section 124 of the internal-revenue code, as amended.

Under the Strategic and Critical Materials Stock Piling Act the CPA, or its successor, is obligated to determine the quantities of all strategic and critical materials necessary for the current requirements of industry. Such amounts of these materials are thereby exempted from transfer to the permanent Government stock pile maintained by Treasury Procurement. This requires a current study of supply and requirements of industry for these materials. This act has no termination date.

As to the premium price plan for copper, lead, and zinc, section 6 (a) of the Price Control Extension Act of 1946 requires that the premium price plan for copper, lead, and zinc be extended until June 30, 1947. This plan has been administered jointly by CPA, OPA, and RFC and provides for the payment of subsidies to the high-cost mines. However, this operation has now been transferred to the OWMR in the OTC. We continue our participation in the operation and policies of the plan. That act remains in effect until June 30, 1947.

As to compulsory orders, the CPA still has the powers of the President to place compulsory orders under section 9 of the Selective Service Act, which will expire March 31, 1947, and also the President's similar powers under section 120 of the National Defense Act of 1916, which is permanent legislation. This authority has been delegated to the Army and Navy.

As to the auditing of war contractors' books, the Chairman of the WPB (now the CPA) has authority to inspect and audit the books of the war contractors under title XIII of the Second War Powers Act, which has no expiration date. This power has been largely dormant so far as CPA is concerned.

I might mention the Renegotiation Act. Under that act there is created a board on which there must be a member who is an employee of the War Production Board and designated to sit on the Board by the Chairman of the War Production Board. An official of the CPA has been sitting with the Board for the past year and Army repre-

sentatives have made very forceful informal recommendations that this representation be continued.

As to the suspension of antitrust laws, under section 12 of the Small Business Mobilization Act of 1942, the Chairman of the War Production Board had authority to issue certificates with the approval of the Attorney General, suspending the antitrust laws on the certification that this suspension would permit actions which he has found requisite to the "prosecution of the war." A few of these certificates are still outstanding and as late as October 1946, it became necessary in aid of the War Departments fertilizer program to reissue an old certificate to cover operations of pressure tank cars, in which there is still a very severe shortage.

HISTORY OF WORK OF WPB AND CPA

Other principal functions of the CPA have to do with its liquidation and the preparation of a record of the activities of the War Production Board and the Civilian Production Administration in connection with the mobilization of industry for the war.

I would like to say in connection with this that I think that this is one of the most important jobs we still have left to do, and I think it is vitally necessary that it be brought to a successful completion.

The CPA is engaged in preparing a history of the work of the WPB, its predecessor, and of CPA itself, so that the experience gained in wartime industrial mobilization and reconversion will be available for guidance in a future emergency. I regard this work as extremely important. It cannot be completed by March 31, 1947, and in all likelihood will have to be continued beyond June 30, 1947.

OTHER LIQUIDATION ACTIVITIES

In the liquidation of CPA it will be necessary to provide for the disposition of property and for other housekeeping tasks as well as for the preservation of necessary records. These records will be needed for the above mentioned functions and also for completion of compliance cases still pending in court, pending and future war frauds suits, suits against former staff members of WPB or CPA, congressional investigations, and perhaps other purposes. Arrangements must also be made for these records ultimately to be placed in the hands of whatever office is established for wartime economic mobilization.

While some of the miscellaneous functions described could be transferred to other agencies, most of them seem to belong in the category of liquidating functions that should be left with the organization responsible for the ultimate liquidation of the CPA.

I think that pretty much covers the activities, and I will be glad to answer any specific question you have in mind.

ALLOCATION OF STEEL FOR FREIGHT CARS

The CHAIRMAN. I was much interested in the statement with reference to freight car shortage in the President's message of yesterday, and it brought to mind a conference with representatives of your office and Colonel Johnson with the idea to see if we could not do something to loosen that up a little bit. It was found that there was a very considerable quantity of steel available in the War Assets

Administration which can be used for that purpose, but there was a limitation on the part of the CPA to issue priorities and force that steel onto the market.

I am wondering, is there any disposition to move on that, because if we are going to have the CPA there is a job for them to do and they should be doing it.

Mr. HOUSTON. We have already issued directives, or rather a directive, I should say, which states that any railroad, car owner or any railroad car shop which can locate steel in surplus which can be used for the building of new freight cars or for the repair of old cars should come to the Civilian Production Administration and obtain a directive which will let them have that steel ahead of any other user. That action has been taken. But I am afraid it will not bring results that might be assumed. In reference to the quantity of steel in surplus we must recognize the fact that steel comes in thousands of shapes, sizes, and specifications of a different character, and it is very difficult for a producer to go in and find exactly the steel he can use, but as far as CPA is concerned——

The CHAIRMAN. Frankly, I hope to have some information available on that line in detail that will facilitate that operation very decidedly.

Mr. HOUSTON. We have taken all the actions we can in connection with that.

The CHAIRMAN. When did you take that action?

General FLEMING. We first heard about this on or before Christmas and when we took over this job we talked with Colonel Johnson at that time. Right after New Years we called in representatives of the steel industry and brought this matter to their attention, and also called upon the car-building industry to form a committee of steel car builders and railroads and repair shops, and we have taken steps which will double the output of freight cars.

The CHAIRMAN. I talked to Mr. Treacy the other day but I got no response that indicated an intention to move in. That was just a few days ago, within a week.

Has any effort been made to put any life into the War Assets Administration in the handling of that problem, or any business judgment?

Mr. HOUSTON. Of course, as far as our connection with the War Assets Administration is concerned, we have told the industry that this assistance is available to them, and have done everything we can to make it possible, once they locate the steel, to enable them to get it. There is not much more we can do. We notified every one of these companies individually that the assistance is available to them, and I think that the problem is one which industry is going to have to solve itself, because the War Assets Administration cannot tell them that this piece of steel is good for the particular job that the company wants to do.

The CHAIRMAN. Then the job is to put life in the War Assets Administration, or else it will land on the doorstep of Congress as long as nobody else will take it, and the War Assets Administration, according to what I heard from them, puts the blame on the CPA.

Mr. HOUSTON. What blame?

The CHAIRMAN. For not having this so distributed to manufacturers.

Mr. HOUSTON. Mr. Taber, we did not have anything to do with that operation in the CPA. That is up to the office of the War Assets Administration.

Mr. WIGGLESWORTH. Does the War Assets Administration know that you have done that?

Mr. HOUSTON. Yes.

Mr. ENGEL. When were the notices mailed out?

Mr. HOUSTON. At the beginning of this month.

Mr. ENGEL. Of February?

Mr. HOUSTON. No, of January. I can find the exact date and give it to you.

(Following is a copy of the directive referred to which was issued on January 17, 1947:)

Dir. 3 to PR 13

JAN. 17, 1947

[As Amended]

PART 944—REGULATIONS APPLICABLE TO THE OPERATION OF THE PRIORITIES SYSTEM

[Priorities Reg. 13, Direction 3, as Amended Jan. 17, 1947]

SURPLUS PROPERTY DIRECTIVES

Direction 3 to Priorities Regulation 13 is amended to read as follows:

(a) *Purpose of this direction.* This direction describes the very limited scope of the assistance which may be granted in the future to obtain Government-owned surplus property if available. Although under paragraph (d) (2) of Priorities Regulation 13 CPA preference ratings do not have any effect on disposals of surplus property, disposals under WAA Regulation 2 are still subject to any individual directives which the CPA may issue with respect to delivery of specified surplus property to a named buyer or class of buyers.

(b) *When the Civilian Production Administration may issue directives on a Government disposal agency.* (1) In general, if all the conditions of paragraph (b) (2) below are met, CPA directives may be issued in the following exceptional cases of public emergency or other extreme need:

(i) Where an item is needed to fill a military order which cannot be deferred without serious results to the defense program or to the health and welfare of the service personnel. (In this case a certification from the responsible military agencies recommending the issuance of a directive is required);

(ii) Where an item is needed in an emergency to eliminate serious hazard to the life, health or safety of a large number of people; or

(iii) In view of the critical shortage of domestic freight cars consideration will also be given to cases involving items of steel or iron, in the forms listed in M-21, required for the production or repair of domestic freight cars.

(2) Actions of the above kinds may be taken only on a determination in each instance that both the following conditions are met:

(i) The use of substitute and less scarce materials is not practicable; and

(ii) The required item cannot be obtained in time with priorities assistance from new production.

(c) *Other applicable actions of the CPA.* Disposal agencies must also comply with the restrictions on special sales of the materials and products on Lists A and B of Priorities Regulation 13, and with any applicable directions to that regulation.

(d) *Communications.* All communications concerning this direction should be addressed to Civilian Production Administration, Washington 25, D. C. Reference PR-13, Direction 3.

Issued this 17th day of January 1947.

CIVILIAN PRODUCTION ADMINISTRATION,
By J. JOSEPH WHELAN,

Recording Secretary.

Mr. ENGEL. I understood from what you told Mr. Taber they would not move this steel and take the necessary action in respect to priorities; that the CPA said they would not put out the necessary priorities for fear this material would get into bad hands. It seems to me that is inconsistent.

Mr. HOUSTON. I do not think there is anything inconsistent there. We have to submit it, and it is true that the War Assets Administration could not make the material available to the railroads unless CPA took the necessary action, but we have taken that action. They would have to go through the priorities to get the disposition of it, and they could not give any preference without a directive from us, and we have already issued that directive.

Mr. ENGEL. They did not seem to know that a few days ago. The War Assets Administration apparently did not know it because they put the blame on your failure to take action, which you say you have taken.

Mr. HOUSTON. All I can say is that it has been done.

Mr. ENGEL. How much steel have they got? Do you know that?

Mr. HOUSTON. No; I do not know that.

The CHAIRMAN. I am afraid we do not either. That is my own understanding.

General FLEMING. The Interstate Commerce Committee of the Senate is having witnesses appear before them on the freight-car situation tomorrow morning.

The CHAIRMAN. We are having the War Assets Administration here soon, and we are hoping that will result in something.

Mr. HOUSTON. I would like to clear up or clarify one other point in connection with the matter of freight cars. I am sorry you got the impression that we were not doing anything in connection with this steel matter, because we have had a group of about 10 people from the steel industry down here for 10 days, and we have had a group here from the car people a couple of weeks ago. We had them here to get their requirements for steel, and the group of the steel industry has taken those requirements, and they are scheduling delivery of that steel during the months of March, April, May, and June.

SUBSIDIES

The CHAIRMAN. What about this subsidy business? is that about done?

Mr. HOUSTON. Yes. There are some phases of that in which CPA participates, in connection with the subsidies of the Housing Expediter which I did not mention before. The one to which I referred in my opening statement is an activity in connection with the premium payment on metals. That activity takes place under a congressional act, and the Government is responsible for paying those subsidies to metal mines for increased production, and that will remain in effect under that act until June 30 of this year.

The CHAIRMAN. Are you still passing out subsidies to these producers of soil pipes and that sort of thing?

Mr. HOUSTON. Yes; there are still some subsidy plans in effect. I believe there are 11 of them. I can run down the list and tell you what they are, and when they are due to expire.

SOIL-PIPE SUBSIDIES

The CHAIRMAN. I would like to have you tell us something with reference to that soil-pipe business. I would like to have you answer that and put it into the record, giving us the names of the people who received the subsidies and the amounts.

I want to ask you this question now: Did you contact the manufacturers of that soil pipe before you put them in a subsidy status to find out whether such a subsidy was necessary in order to promote their production?

Mr. HOUSTON. Yes; we did contact the industry. We first had a small task group down here and went over the possibilities of increasing production if a subsidy payment were made available. After that task group had finished going over the various ideas that might be fruitful in increasing production, a plan was formulated and was presented to the industry advisory committee consisting of representatives of the entire industry. In other words, every single producing company was not represented on that committee, but it was a committee made up of people from each area of the country who made a study of it, particularly as to small producers, and that was put into effect after a thorough consultation with the industry.

The CHAIRMAN. I have had reports of manufacturers receiving this subsidy after they had produced the goods for which they knew the subsidy was in force.

Mr. HOUSTON. It is a question of applying for it if they want it. There is no obligation for a company to go into it under the subsidy plan. If they wish to make themselves eligible for the subsidy they can do so by filing an application.

The CHAIRMAN. What percentage of them filed?

Mr. HOUSTON. I am afraid I cannot tell you that. I would have to go into the records. If you want, I will see that this entire record you have asked for here is presented, and we will give you a complete list of the soil-pipe producers in the country, and as far as we know it will show you which ones of those are obtaining a subsidy payment on any particular quantity.

The CHAIRMAN. You might also give us the soil-pipe production before the subsidy and afterward of each of them, if you have it.

Mr. HOUSTON. All right, sir.

(The matter referred to is as follows:)

Recapitulation of premium-payment program, under EPPR-8: Cast-iron soil pipe

1946	Participating plants ¹			Amount of premium payments	Nonparticipating plants: ² production in short tons	Total of all plants
	Production in short tons	Quota	Excess over quota			
Month quota period:						
January.....	27,187				1,680	28,867
February.....	25,227				1,921	27,148
March.....	27,622				2,070	29,692
April.....	28,847				1,827	30,674
May.....	28,654				2,186	30,840
June.....	25,894				1,841	27,735
July.....	27,756				2,206	29,962
Total.....	191,187				13,731	204,918
Claim period:						
August.....	36,004	27,694	8,310	184,260	2,105	38,109
September.....	37,690	26,194	11,496	298,377	2,283	39,973
October.....	44,702	26,392	18,310	372,857	2,794	47,496
November.....	42,580	27,301	15,279	358,550	2,641	45,221
December.....	³ 20,034	14,291	5,743	148,302	2,102	⁴ 22,136
Total.....	181,010	121,872	59,138	1,362,346	11,925	192,935
Grand total.....	372,197				25,656	397,853

SUMMARY OF PREMIUM-PAYMENT PERIOD

Production.....	short tons..	181,010
Quota.....	do.....	121,872
Excess over quota.....	do.....	59,138
Amount of premium payments to date.....		\$1,362,346

¹ 41 plants are participating in the plan.

² 5 are not participating in the plan.

³ 19 plants reporting.

⁴ 24 plants reporting.

Feb. 5, 1947.

Production of cast-iron soil pipe in 1946 in relation to premium payment program under EPPR-8

[Production in short tons]

Name of company	Production						August			September		
	Jan.	Feb.	Mar.	Apr.	May	June	July	Total production	Quota	Excess over quota	Total production	Quota
Alabama Pipe:												
Agrioola foundry	477	550	607	708	647	665	565	853	654	199	954	654
Alabama foundry	959	634	747	688	830	792	710	946	863	83	969	863
Cocosa foundry	1,241	1,010	1,076	1,153	1,104	1,151	953	1,342	1,117	225	1,430	1,117
Standard foundry	769	521	500	546	539	558	489	712	692	20	847	692
Talladega foundry	854	700	729	833	736	748	702	1,045	769	276	1,007	769
Union foundry	733	642	675	821	859	965	882	1,234	785	449	1,296	785
Ornamental												
Anniston Foundry	1,643	1,393	1,503	1,609	1,473	1,407	1,518	1,900	1,528	372	1,26	0
Anniston Soil Pipe	829	710	793	872	849	880	834	1,220	838	382	2,056	1,407
Arapahoe Foundry	176	169	185	221	216	206	160	270	173	97	2,110	1,73
Attalla Pipe Foundry	802	651	787	782	890	216	685	1,109	820	289	1,249	761
Buffalo Pipe Foundry	141	510	571	699	773	764	809	1,004	580	424	968	297
Central Foundry:												
Holt, Ala.	3,017	2,927	3,185	3,458	3,739	1,763	4,012	4,455	3,282	1,173	4,731	2,852
Newark, N. J.	225	(1)	(1)	(1)	205	589	561	827	475	352	948	475
Charlotte Pipe	1,279	1,302	1,503	1,470	1,400	1,017	1,091	1,200	1,267	-67	1,534	1,267
Combustion Engine	1,311	1,471	1,647	1,418	1,570	1,077	1,263	1,100	1,453	-353	1,288	1,439
Eastern Foundry	871	816	847	811	806	749	733	1,046	715	331	858	715
East Penn Foundry	753	681	842	843	797	792	624	920	690	230	887	651
Emory Pipe Foundry	562	557	611	595	603	630	557	781	603	178	833	594
Gadsden Iron Works	1,234	1,208	1,259	1,348	884	884	1,109	1,681	1,272	409	1,618	1,008
Hajoca Corp.:												
Quakertown, Pa.	524	483	524	508	537	478	473	602	523	79	1,660	460
Lansdale, Pa.	29	25	34	80	102	99	98	117	92	25	250	140
T. C. King								226	0	226	1,130	376
Marshall Car Wheel	204	299	297	302	377	377	326	374	283	91	1,360	283
Medina Iron & Bridge	137	123	126	130	90	84	106	84	110	-26	396	283
Morgan Foundry	177	185	188	292	277	325	321	346	219	127	405	219
Pacific Fitting	374	484	484	604	640	600	693	346	480	304	7,070	480
Reading Foundry	228	214	259	332	318	313	224	342	303	39	341	281
Rich Manufacturing:												
Los Angeles, Calif.	547	649	557	620	577	547	423	560	487	73	635	487
Portland, Ore.	580	581	571	591	610	607	665	600	495	105	528	495
Rudisill Foundry	929	799	822	883	890	851	843	1,206	865	341	1,262	865
Russell Pipe & Foundry	641	634	725	653	599	660	622	754	549	205	5,740	549
Salem Pipe & Iron Manufacturing	325	340	336	357	354	317	363	433	291	142	399	291
Sanitary Co. of America:												
Linfield, Pa.	564	542	606	656	632	552	598	771	578	193	722	523
F. Greenville, Pa.	308	327	356	330	330	295	220	395	319	76	353	319

Somerville Iron Works:	413	551	461	431	576	639	518	642	432	210	2,100	789	432	357	7,530
Somerville, N. J.	1,464	1,214	1,171	1,347	1,478	1,205	1,112	1,706	1,332	374	7,910	1,944	1,332	612	16,920
Chattanooga, Tenn.			33	33	33	33	44	94	33	61	1,030	103	33	70	1,000
Taft Alloy Steel			861	839	991	841	970	1,016	748	268	8,320	931	748	183	6,687
Tyler Pipe & Foundry		742	208	208	253	230	212	236	190	46	1,780	227	190	37	1,480
Wahkonsa Foundry	183	205	208	208	253	230	212	236	190	46	1,780	227	190	37	1,480
H. C. Welskittel	479	455	450	411	504	482	390	624	379	245	5,000	521	348	173	3,810
Williamstown Foundry	406	417	416	365	450	446	278	447	410	37	370	458	410	48	1,710
Total	27,187	25,227	27,622	28,847	28,654	25,894	27,756	36,004	27,694	8,310	184,260	37,690	26,194	11,496	298,377
American Bridge & Iron Foundry ²	120	150	159	150	301	283	330	377				365			
Hedges-Walsh-Weidner ²	1,300	1,471	1,636	1,417	1,500	1,076	1,263	1,100				1,288			
Hercro ²	235	275	200	200	325	282	362	339				369			
Lafayette ²							51	85				72			
Walker Foundry ²	25	25	75	60	60	200	200	204				189			
Total	1,680	1,921	2,070	1,827	2,186	1,841	2,206	2,105				2,283			
Grand total	28,867	27,148	29,692	30,674	30,840	27,735	29,962	38,109	27,694	8,310	184,260	39,973	26,194	11,496	298,377

¹ No report.² Not participating in program.

Production of cast-iron soil pipe in 1946 in relation to premium payment program under EPPR-8—Continued
 [Production in short tons]

Name of company	October			November			December		
	Total production	Quota	Excess over quota	Total production	Quota	Excess over quota	Total production	Quota	Excess over quota
Alabama Pipe:									
Agricola foundry	961	654	307	1,068	654	414	(1)	(1)	(1)
Alabama foundry	1,125	863	262	1,021	863	158	(1)	(1)	(1)
Cossa foundry	1,346	1,117	229	1,537	1,117	420	(1)	(1)	(1)
Standard foundry	1,052	692	360	967	692	275	(1)	(1)	(1)
Talladega foundry	1,157	769	388	1,085	769	316	(1)	(1)	(1)
Union foundry	1,562	785	777	1,646	785	861	(1)	(1)	(1)
Ornamental	304	0	304	0	0	317	(1)	(1)	(1)
Amulston Foundry	2,322	1,528	794	2,159	1,528	631	1,900	1,528	372
Anniston Soil Pipe	1,363	838	525	1,167	838	329	1,023	838	185
Arapahoe Foundry	251	173	78	1,226	173	53	1,520	173	77
Attalla Pipe Foundry	1,596	761	835	1,494	820	674	1,096	820	276
Buffalo Pipe Foundry	1,117	297	820	1,091	297	794	(1)	(1)	(1)
Central Foundry:									
Holt, Ala.	5,742	2,852	2,890	5,504	3,282	2,222	5,042	3,282	1,760
Newark, N. J.	1,087	475	612	946	475	471	9,090	475	158
Charlotte Pipe	1,518	1,267	251	1,486	1,267	219	1,363	1,267	96
Combustion Engine	1,746	1,453	293	1,608	1,453	155	2,157	(1)	(1)
Eastern Foundry	1,973	715	1,258	893	715	178	5,920	715	85
East Penn Foundry	1,048	651	397	937	690	247	6,910	690	-68
Emory Pipe Foundry	349	594	245	929	603	326	8,666	(1)	(1)
Gadsden Iron Works	1,860	1,008	852	1,771	1,272	499	15,739	1,272	108
Haljoca Corp.:									
Quakertown, Pa.	541	523	18	715	523	192	5,610	523	213
Lansdale, Pa.	151	92	59	183	92	91	1,750	92	104
T. C. King	412	0	412	405	0	405	4,050	0	470
Marshall Car Wheel	481	283	198	453	283	170	3,530		
Medina Iron & Bridge									
Morgan Foundry	424	219	205	447	219	228	4,860	219	231
Pacific Fitting	851	480	371	716	480	236	5,210		
Reading Foundry	432	251	181	407	303	104	3,320		
Rich Manufacturing:									
Los Angeles, Calif.									
Portland, Ore.	828	487	341	687	487	200	5,810		
Rudisill Foundry	1,535	895	640	1,669	895	774	5,550		
Russell Pipe & Foundry	846	549	297	1,666	865	801	17,912		
Salem Pipe & Iron Manufacturing	520	291	229	777	549	228	7,024		
Sanitary Co. of America:									
Linfield, Pa.	869	523	346	512	291	221	4,100		
E. Greenville, Pa.	467	319	148	797	578	219	5,460		
				389	319	70	2,470		

Mr. STEFAN. I believe he indicated there were 11 subsidy plans.

Mr. HOUSTON. Would you like those in the record?

Mr. STEFAN. Yes.

DISCUSSION OF HOUSING EXPEDITER'S PREMIUM PAYMENT PLANS

Mr. HOUSTON. So you may understand these plans put into effect by the Housing Expediter, I will be glad to tell you about them and tell you what the Expediter's premium payment plans are.

The first one is EPPR 1, which is the plan covering structural clay products. That was originally issued on June 19, 1946. The present plan was to terminate that on May 31, 1947. It is possible that it may terminate prior to that time.

The plan EPPR 2 covers plywood and was issued on June 19, 1946. The payments under EPPR 2 were terminated as to production current after the end of November 1946.

That is a plan covering just construction grades of plywood, and that was transferred over after final conclusions had been reached as to whether a further plan is advisable.

EPPR 3 is commercial gypsum liner, which was issued on June 27, 1946. That plan provides for termination by the expediter at the end of any month, or 30 days, and shipment can be made without further payment. I do not know what the plan was in connection with the termination of that.

EPPR 4 covers standing timber on State-owned land. Payments are made with respect to the utilization of additional facilities for handling timber on State-owned land. The termination date is fixed for December 31, 1947, or at such earlier time as the Expediter may determine. It was originally issued for July 31, 1946.

EPPR 5 covers fixtures for heating. It was issued on July 31, 1946. The Housing Expediter has determined that this plan should be terminated, and I think it was terminated on January 31, 1947.

EPPR 6 covers hardwood flooring in the South and was issued on August 1, 1946. Payment for that was to be terminated by the Expediter after December 31, 1947.

Mr. ENGEL. At the time you were paying subsidies on hardwood flooring in the days of price control, what price were they giving for that flooring?

Mr. HOUSTON. That was terminated after price control went out.

Mr. ENGEL. I have not seen much price control on hardwood flooring. That flooring went up quite high under price control. When did you discontinue that?

Mr. HOUSTON. On December 31.

Mr. ENGEL. When was it put in?

Mr. HOUSTON. On August 1, 1946.

EPRR 7 also covers hardwood flooring in the North, and it was issued on August 1, 1946, and was terminated on December 31, 1946.

EPRR 8 covers cast-iron soil pipe. That was issued on August 6, 1946, and it is presently to be terminated on June 30, 1947.

EPRR 9 is for merchant pig iron and was issued on September 19, 1946. It is felt that it will be terminated by June 30, 1947, if not sooner.

EPRR 10 is for sand-lime brick; it was issued on October 29, 1946, and the termination date is presently fixed for May 31, 1947. It is quite possible that this plan will be terminated at the end of this month.

EPRR 11 is for housing nails. It was issued on November 1, 1946, and the present termination date is expected to be March 31, 1947.

Mr. ENGEL. Did you pay subsidies on building material after price control went off?

Mr. HOUSTON. These plans are still in effect for continuing to pay subsidies.

Mr. ENGEL. On the material after price control went off?

Mr. HOUSTON. That is right.

Mr. ENGEL. Some of those prices went up 25 or 30 percent, and yet you are giving them subsidies?

Mr. HOUSTON. As to each of the plans which has been kept in effect, that was done after a very thorough study of the particular circumstances in each industry, and only when it was thought that with price control lifted that subsidies would not only increase production but would bring the material to home builders at a lesser price.

Mr. ENGEL. What date did price control go off?

Mr. HOUSTON. Price control went off, I think, on November 10.

The CHAIRMAN. I would like to have you put a table in the record, inserting in the first column the amount of subsidies paid under each of the programs prior to November 6, and the amount paid subsequent to November 6 in the second column. Also, put in the third column the total amount, so we can see what amount there is in each of these programs.

Mr. HOUSTON. Yes, sir.

(The table referred to is as follows:)

*Office of Temporary Controls, Civilian Production Administration—Schedule of estimated payments made under the Housing Expediter's premium payment plans*¹.

EPRR No.	Product	Estimated payments to Nov. 1, 1946	Estimated payments ² Nov. 1, 1946, to Feb. 1, 1947	Total estimated payments to Feb. 1, 1947 ¹
1	Structural clay products.....	\$2, 283, 338	\$745, 569	\$3, 028, 907
2	Softwood plywood.....	1, 655, 133	512, 544	2, 167, 677
3	Merchant gypsum liner.....	463, 000	217, 160	680, 160
4	Standing timber on State-owned land.....		12, 923	12, 923
5	Convectors.....	189, 650	91, 357	281, 007
6	Hardwood flooring—Southern area.....	965, 010	93, 384	1, 058, 394
7	Hardwood flooring—Northern area.....	26, 140	5, 322	31, 462
8	Cast-iron soil pipe.....	841, 505	611, 867	1, 453, 372
9	Merchant pig iron.....	927, 616	2, 007, 860	2, 935, 476
10	Sand-lime brick.....			
11	Housing nails.....		³ 558, 552	558, 552
	Total.....	7, 351, 392	4, 856, 538	12, 207, 930

¹ As reported by the Reconstruction Finance Corporation.

² OPA price ceilings removed in November 1946. No break-down available on production, as premiums are payable on total monthly production.

³ Plan effective Oct. 1, 1946. No break-down available for October.

The CHAIRMAN. The Housing Expediter does not furnish you with the funds to pay the help engaged in that particular activity, does he?

Mr. HOUSTON. No; he does not. He furnishes payment but not money for personnel.

The CHAIRMAN. How many people have you taken over from the housing set-up onto your roll in the last 3 or 4 months?

Mr. HOUSTON. We have not taken anyone over from the Office of the Housing Expediter.

The CHAIRMAN. None at all?

Mr. HOUSTON. No, sir; none at all. As a matter of fact, since November 30 we have followed the policy of not hiring anybody from outside. If any job becomes vacant it is filled from inside the organization, because we are on a declining schedule.

NUMBER OF PERSONNEL

The CHAIRMAN. What was your employment on the 1st of October?

Mr. HOUSTON. On the 1st of October we had 3,525 people.

The CHAIRMAN. And on the 1st of January you had 3,476?

Mr. HOUSTON. That is right.

The CHAIRMAN. Indicating a drop of about 50?

Mr. HOUSTON. That is right.

The CHAIRMAN. Most of the units stayed up about where they were, did they not?

Mr. HOUSTON. That is right; there was very little change.

The CHAIRMAN. Your activities are declining rapidly, according to this estimate of employment you have given us. I wish you would place these tables in the record, beginning after page 6.

Mr. HOUSTON. That is, beginning after page 6?

The CHAIRMAN. Yes; I think those tables ought to go into the record.

(The tables referred to are as follows:)

Summary schedule, rescission estimate, fiscal year 1947

Total amount available for obligation.....	\$18,000,000
Obligations as of Nov. 30, 1946.....	\$7,509,911
Obligations for December.....	1,500,596
Commitments in process.....	40
Total obligations and commitments.....	9,010,507
Balance available for obligations.....	8,989,493
Estimated obligations Jan. 1 to June 30.....	7,789,493
Estimated required in subsequent fiscal years.....	
Total additional requirements.....	7,789,493
Balance available for rescission.....	1,200,000

Rescission estimate, fiscal year 1947—obligations, by object of expenditure

	Actual as of Nov. 30, 1946	Actual, December	Actual as of Dec. 31, 1946	Estimated, third quarter	Estimated, fourth quarter	Estimated, fiscal year 1947
Personal services:						
Regular.....				\$3,396,250	\$2,875,750	
Lump sum.....				162,000	162,000	
Total personal services.....	\$6,150,302	\$1,263,400	\$7,413,702	3,558,250	3,037,750	\$14,009,702
Travel.....	443,435	78,962	522,397	243,750	206,250	972,397
Transportation of things.....	4,067	1,331	5,398	4,000	3,000	12,398
Communications.....	269,693	53,826	323,519	234,500	109,153	667,172
Rents and utility services.....	91,843	38,044	129,887	103,000	35,340	268,227
Printing and binding.....	131,785	42,235	174,020	71,500	60,500	306,020
Special projects.....	338,507	4,466	342,973	50,000	0	392,973
Other contractual services.....	61,848	15,137	76,985	30,000	25,000	131,985
Supplies and materials.....	16,729	3,093	19,822	6,500	5,500	31,822
Equipment.....	1,702	102	1,804	3,500	2,000	7,304
Total.....	7,509,911	1,500,596	9,010,507	4,305,000	3,484,493	16,800,000

Rescission estimate, fiscal year 1947—Estimated employment

Organizational unit	Actual employment, Dec. 31, 1946	Estimated employment, Apr. 1, 1947	Estimated employment, July 1, 1947
Office of the Administrator.....	49	32	28
Office of Economic Review and Analysis.....	115	101	25
Office of Information.....	21	10	5
Office of General Counsel.....	27	24	10
Office of Labor Requirements.....	16	14	3
Bureau of Demobilization:			
Office of Director.....	19	9	9
Policy Analysis and Records Branch.....	100	119	119
Recording Secretary Branch.....	6	6	4
Division of Budget Administration.....	14	10	8
Division of Personnel Management.....	62	56	50
Division of Administrative Services.....	8	8	8
Operating Facilities Branch.....	108	93	81
Business Services Branch.....	167	113	64
Accounts and Audits Branch.....	101	96	90
Financial Policy Division.....	28	18	18
Industrial Statistics Division.....	123	123	118
Total.....	736	651	569
Bureau of International Supply.....	27	14	8
Bureau of Priorities.....	206	132	65
Bureau of Industry Operations:			
Office of Director.....	41	27	
Rubber Division.....	51	40	40
Equipment Division.....	49	28	
Forest Products Division.....	77	51	30
Metals and Minerals Division.....	144	121	25
Textile Division.....	113	12	
Chemicals Division.....	43	18	
Building Materials Division.....	67	67	60
Consumers Hard Goods Division.....	17	6	
Total.....	602	370	155
Bureau of Construction and Field Operations.....	108	108	108
Total departmental.....	1,907	1,456	976
Field service:			
Administrative.....	29	29	29
Construction.....	688	688	688
Production.....	41	20	
Compliance.....	769	769	769
Legal.....	34	30	30
Lumber.....	8	8	8
Total field service.....	1,569	1,544	1,524
Grand total.....	3,476	3,000	2,500

The CHAIRMAN. You estimate an employment of 3,000 on the 1st of April. Is not that rather large for the activities you will still have in effect?

Mr. HOUSTON. The principal reason why the employment does not decline more rapidly is due to the activities we will still carry on, and that will have to be carried on, in connection with the housing program. I think a rough figure would be 70 percent of our total pay roll is on housing at the present time, and when we reach 2,500 people on June 30 it will be 80 percent on housing and only 20 percent on other activities. That figure will be about 2,050 people on housing out of a total of 2,500 employees.

AUTHORITY OVER CONSTRUCTION PRIORITIES

The CHAIRMAN. Do you have anything to say about these priorities on construction in this Office of Housing Expediter? They have the right to go ahead and establish their own priorities.

Mr. HOUSTON. Under the act the Housing Expediter will have the right to establish his own priority system. Actually, the powers under that act follow in line with the powers of the Second War Powers Act at least as far as construction and building materials are concerned. But in order to avoid a vast amount of overlapping in connection with priority systems, it was determined that the Housing Expediter, instead of establishing a separate system would tie in with the CPA priority system, and this has been the way we have managed our priorities up to this time.

The CHAIRMAN. That means that the Housing Expediter can practically set his own priorities?

Mr. HOUSTON. That is right. This Patman Act is a rather potent act.

The CHAIRMAN. And that without regard to any control by you as to the effect of the use of certain materials to get housing completed; that is, you have no authority; it is all up to him. If he wants to go ahead with some kind of program, why, he goes ahead and there is no control over him at all.

Mr. HOUSTON. Theoretically, that is correct; yes.

The CHAIRMAN. And if that results in delay in the completion of more houses than it gets up, as it has in a good many cases, that is his job rather than yours?

Mr. HOUSTON. Let me put it this way: We consider that our primary responsibility in connection with the housing program is to increase production of critical building materials. How they are used after they are produced, we feel, is the Housing Expediter's responsibility completely.

PERSONNEL IN HISTORICAL AND RECORDS PROGRAM

The CHAIRMAN. How many people do you have engaged in this historical set-up?

Mr. HOUSTON. I think it is 250, roughly, on our records and history work.

The CHAIRMAN. They are all at the seat of government?

Mr. HOUSTON. Yes.

The CHAIRMAN. Will you put into the record a list of those people?

Mr. HOUSTON. I will be glad to do that.

The CHAIRMAN. And as to those who were drawing compensation larger than \$4,000, put in something in the nature of their experience and history and their qualifications.

Mr. HOUSTON. Yes.

(The information requested is as follows:)

Following is a listing and personal history statement of the employees engaged in the historical and records programs.

Those shown in the policy analysis staff of the Policy Analysis and Records Branch are engaged in the analysis of industrial mobilization experience and the preparation of the documented general history and special studies referred to above. The staff of the Historical Records Section is engaged in arranging, classifying, preserving, and servicing the records of CPA and predecessor agencies in accordance with the agency's responsibilities under the law, in order to preserve those records of permanent value and to destroy useless paper thereby obviating the necessity of maintaining a large staff and space for their preservation. The Security Section is responsible for the declassification of the documents selected for permanent preservation in accordance with the regulations governing military security and company confidential data.

The employees of the Industrial Statistics Division are engaged in the collection, filing, and cataloging of all statistical data accumulated by the WPB from questionnaires which is of permanent value, both to Government and industry. This Division is attempting to preserve for future reference the techniques of management and control of industrial operations used by the War Production Board for guidance in the event of another emergency.

List of personnel, Policy Analysis and Records Branch as of Feb. 3, 1947

OFFICE OF BRANCH CHIEF

Name	Title	Grade	Name	Title	Grade
George W. Auxier.....	Chief.....	P-7.	Dorothy Aue.....	Clerk.....	CAF-4.
Carroll K. Shaw.....	Associate organization consultant.	CAF-14.	Mary C. Antonellis.....	Clerk-typist.....	CAF-3.
			Alice R. Weaver.....	do.....	CAF-3.
Phillips D. Carleton.....	Archivist (policy analyst).	P-5.	Esther T. Schmid.....	do.....	CAF-3.
			Mary E. Coggins.....	do.....	CAF-3.
Helen T. Shea.....	Administrative assistant.	CAF-7.	Mary Jeanne Wright.....	do.....	CAF-3.

POLICY ANALYSIS STAFF

Clyde Billups.....	Archivist (policy analyst).	P-6.	Jesse A. Remington.....	Policy analyst.....	P-5.
Gilbert Convers.....	Policy analyst.....	P-6.	Benjamin Fleisher.....	do.....	P-5.
Nathan D. Grundstein.....	do.....	P-6.	William J. Schuck.....	do.....	P-5.
A. Drummond Jones.....	do.....	P-6.	Maryclaire McCauley.....	do.....	P-5.
George R. Kinzie.....	do.....	P-6.	Marian D. Tolles.....	Policy analyst (senior).	P-5.
W. Grant McColley.....	do.....	P-6.	Irene B. Walker.....	Policy analyst.....	P-5.
Frederick W. Harrison.....	do.....	P-6.	Charles Prince.....	do.....	P-5.
Paul E. Sweeney.....	do.....	P-6.	M. Hamlin Cannon.....	do.....	P-4.
David Horton.....	do.....	P-6.	Tennie W. Ross.....	Clerk-stenographer.	CAF-4.
William Chaikin.....	do.....	P-5.	Helen L. Joachim.....	Clerk-stenographer.	CAF-4.
Elliott M. Helfgott.....	Archivist (policy analyst).	P-5.	Lillian B. Upshaw.....	Clerk-typist.....	CAF-3.
Curtis W. Garrison.....	do.....	P-5.	Jerome Thomas.....	Policy analyst.....	P-5.

SECURITY SECTION

Clarence J. King.....	Security officer.	CAF-13.	Thomas F. McCormick.....	Document security representative.	CAF-7.
William C. Kircher.....	Administrative analyst.	CAF-12.	Jabez S. Snow.....	Clerk (allocator).	CAF-4.
James J. Furniss.....	Document security investigator.	CAF-7.	Louise H. Sweeney.....	Clerk.....	CAF-4.

HISTORICAL RECORDS SECTION

Elbert L. Huber.....	Chief.....	P-6.	Mary E. Price.....	Archivist.....	P-1.
Marie C. Stark.....	Assistant chief.....	P-5.	Mina E. Carroll.....	do.....	P-1.
Samuel B. Marley, Jr.....	Archivist.....	P-4.	Leona E. Fox.....	do.....	P-1.
Harless Wagoner.....	do.....	P-4.	Inez L. Riley.....	do.....	P-1.
Milton V. Ritter.....	Chief, custodial unit.	P-4.	Josephine J. Davis.....	do.....	P-1.
Claude Meals.....	Archivist.....	P-3.	Carmel A. Showalter.....	do.....	P-1.
Mary E. Larson.....	do.....	P-3.	Edith Stackpole.....	do.....	P-1.
Daniel K. Freudenthal.....	Assistant Archivist.	P-2.	Wilbur W. Gooch.....	Records assistant.	CAF-7.
Louis Goldberg.....	Archivist.....	P-2.	Gilbert J. Kennedy.....	Clerk.....	CAF-4.
Ethel S. Barron.....	do.....	P-2.	Hilda N. Brown.....	Clerk-typist.....	CAF-4.
Elizabeth M. Benson.....	do.....	P-2.	Laura P. Davis.....	do.....	CAF-4.
Raymond J. Latrom.....	do.....	P-2.	Mildred Edgerton.....	do.....	CAF-4.
Hila V. Parrill.....	do.....	P-2.	Geraldine D. Elliott.....	do.....	CAF-4.
Hazel Shipman.....	do.....	P-2.	Katherine Finnegan.....	do.....	CAF-4.
Huhert J. Sigal.....	do.....	P-2.	Wilma C. Montague.....	do.....	CAF-4.
Florence B. Phillips.....	Policy analyst.....	P-2.	Lynette M. W. Nick.....	do.....	CAF-4.
Evelyn M. Deberry.....	Archivist.....	P-1.	Ida M. Vidmar.....	do.....	CAF-4.
Joseph T. Deutschman.....	do.....	P-1.	Vila L. Hunter.....	do.....	CAF-4.
Louise D. Dennis.....	do.....	P-1.	Sena M. Easterson.....	Clerk.....	CAF-4.
Serena E. Randall.....	do.....	P-1.	William H. Whitehurst.....	do.....	CAF-4.
Ruth L. Gordon.....	do.....	P-1.	Ethel R. Garland.....	do.....	CAF-4.
			Ivy V. Parr.....	do.....	CAF-4.
			Ruth E. Collins.....	do.....	CAF-4.

List of personnel, Policy Analysis and Records Branch as of Feb. 3, 1947—Con.

HISTORICAL RECORDS SECTION—Continued

Name	Title	Grade	Name	Title	Grade
Lucille M. Borza.....	Clerk.....	CAF-4.	Ruby E. Johnson.....	Clerk-typist....	CAF-3.
Vera G. Hunter.....	do.....	CAF-3.	Lena Mac Phillips.....	do.....	CAF-2.
John Hulin, Jr.....	Assistant clerk..	CAF-3.	Melba L. Forbes.....	do.....	CAF-2.
Evelyn Tolliver.....	do.....	CAF-3.	Marjory A. D. Bianchi..	do.....	CAF-2.
Mabel B. English.....	Clerk.....	CAF-3.	William L. Bishop.....	Laborer (skilled)	CPC-3.
Ruth C. Bland.....	do.....	CAF-3.	Norris C. Fowler.....	do.....	CPC-3.
Lillian A. Curtis.....	do.....	CAF-3.	Wright, Moses.....	do.....	CPC-3.
Ada Finnegan.....	do.....	CAF-3.	Stell Tomlinson.....	do.....	CPC-3.
Geneva S. Young.....	do.....	CAF-3.			
Mildred C. Linder- man.....	Clerk-typist....	CAF-3.			

List of personnel, Industrial Statistics Division as of Feb. 3, 1947

OFFICE OF DIRECTOR

Name	Title	Grade	Name	Title	Grade
Lois Alexander.....	Editorial clerk..	CAF-4.	Wilhelmina Moore.....	Typist.....	CAF-3.
LeRoy Allen.....	Statistical as- sistant.....	CAF-7.	Irving M. Nass.....	Statistical clerk..	CAF-3.
Daisy B. Bryant.....	Typist.....	CAF-3.	Irving S. Schor.....	do.....	CAF-4.
Mazie M. Griggs.....	do.....	CAF-3.	Marie C. Sideboard.....	Typist.....	CAF-3.
Wilhelmina J. Harris..	do.....	CAF-3.	George A. Steiner.....	Economist (Di- rector).....	P-8.
Martha T. Hutchi- son.....	Economist.....	P-2.	Anna S. Sudol.....	Secretary to Di- rector.....	CAF-6.
Virginia A. Koiner....	Administrative assistant.....	CAF-9.	Maudie L. Thomas.....	Typist.....	CAF-3.
Christie V. McIver.....	Statistical clerk..	CAF-4.	Pearlean Weems.....	Clerical aide- typist.....	CAF-3.
Bertha R. Massey.....	Typist.....	CAF-3.	Dorothea R. Wyllie....	Clerk.....	CAF-4.
Harriett Floy Mills....	Clerical aide- typist.....	CAF-3.			

INDUSTRIAL STATISTICS BRANCH

Iva V. Anderson.....	Economic stat- istician.....	P-2.	Murray P. Rennert....	Economic editor..	P-3.
Sadie B. Bayne.....	do.....	P-2.	Loretta Marie Pierce..	Economist.....	P-3.
Mildred P. Blundon....	do.....	P-2.	Hannah S. Rifkind....	do.....	P-3.
Wilton B. Colt.....	Statistician.....	P-4.	Lloyd A. Schermer- horn.....	Economic editor..	P-4.
Homer F. Gilliam.....	Economic stat- istician.....	P-4.	Juanita L. Shafer.....	Statistician.....	P-5.
Edna E. Goebel.....	do.....	P-2.	Cassie F. Skilling.....	do.....	P-5.
Eleanor W. Hogg.....	Statistician.....	P-4.	Luella Y. Smith.....	Clerical aide- typist.....	CAF-3.
Albert H. Hunting- ton, Jr.....	Economic stat- istician.....	P-7.	Secondris W. Smith....	Clerk-typist.....	CAF-3.
Samuel Joffe.....	Statistician.....	P-2.	E. Edward Stephens....	Statistician.....	P-4.
Eleanor Kerr.....	Economic editor..	P-5.	Margaret O. Strahorn..	do.....	P-5.
Solomon B. Loew.....	Economist.....	P-3.	Minna Vilensky.....	Editorial clerk..	CAF-4.
Elizabeth B. McNeill..	Clerk-stenogra- pher.....	CAF-4.	Jacob Vilkmán.....	Economic stat- istician.....	P-2.
Nathan Mantel.....	Economist.....	P-3.	Maurice F. Wolfe.....	Economist.....	P-3.
			John Zolyak.....	Economic editor..	P-2.

PLANT DATA INTEGRATION BRANCH

Sidney Abraham.....	Statistical clerk..	CAF-3.	Ethel H. Gray.....	Statistical clerk..	CAF-4.
Ethel B. Bennett.....	do.....	CAF-4.	Sam Grossman.....	Statistician.....	P-4.
Helen H. Bennett.....	do.....	CAF-4.	Charles F. Haas.....	Economist.....	P-6.
Catherine C. Ben- nington.....	do.....	CAF-5.	Ruby V. Harper.....	Statistical clerk..	CAF-4.
Geneva S. Beverly....	do.....	CAF-3.	Margaret G. Helsel....	do.....	CAF-4.
Bertha Blair.....	Economist.....	P-4.	Albert M. Hermie.....	Economist.....	P-5.
Isadore Blumen.....	do.....	P-3.	Edith T. Jackson.....	Statistical clerk..	CAF-4.
Ercell C. Brown.....	Statistical clerk..	CAF-4.	Beatrice T. Johnson....	Mail, file, and record clerk.....	CAF-3.
Cecelia E. Burke.....	do.....	CAF-4.	Muriel H. Johnson.....	Clerk-typist.....	CAF-2.
Irene M. Chapin.....	Statistician.....	P-3.	Cynthia S. Jones.....	Statistical clerk..	CAF-4.
Donald R. Damuth.....	Economist.....	P-3.	Ulysses Jones.....	Mail, file, and record clerk.....	CAF-2.
Dorothy D. Dolleck....	do.....	P-1.	Viola Lee Jones.....	Clerk-typist.....	CAF-3.
Joseph W. Ehren- reich.....	do.....	P-3.	A. Elizabeth Joyce.....	Economist.....	P-4.
Martha B. Finn.....	do.....	P-1.	Sudie V. Judson.....	Mail, file, and record clerk.....	CAF-3.
Mabel N. Foster.....	do.....	P-2.	Helen H. Killens.....	Statistical clerk..	CAF-3.
Samuel K. Garr.....	do.....	P-2.			

List of personnel, Industrial Statistics Division as of Feb. 3, 1947—Con.

PLANT DATA INTEGRATION BRANCH—Continued

Name	Title	Grade	Name	Title	Grade
Eileen L. Kinney.....	Statistical clerk.	CAF-4.	Floyd L. Rowe.....	Economist.....	P-1.
Nathan A. Krevisky.....	Economist.....	P-2.	Katheleen G. Ross.....	Clerk-typist.....	CAF-3.
Pauline Lee.....	Mail, file, and record clerk.	CAF-4.	William Russler.....	Economist.....	P-4.
Ethel J. Lehman.....	Economist.....	P-2.	Hi Sanders.....	Statistical clerk.	CAF-4.
Nathan Lcsowitz.....	do.....	P-3.	Nathan Schein.....	Economist.....	P-5.
Maurice M. Levin.....	do.....	P-4.	Dena R. Silverman.....	Statistician.....	P-3.
Richard S. McCurdy.....	do.....	P-4.	Mary E. Skinner.....	do.....	P-2.
Marie B. Madison.....	Statistician.....	P-1.	Frances Snyder.....	Economic stat- istician.	P-3.
Graee E. Marshall.....	Statistical clerk.	CAF-4.	Mabel C. E. Stewart.....	Statistical clerk.	CAF-3.
Robert B. Martin.....	Economist.....	P-3.	Thomas F. Sullivan.....	Economic statis- tician.	P-2.
Joe H. Miller.....	do.....	P-6.	Malvern C. Talbert.....	Economist.....	P-5.
Seymour H. Miller.....	do.....	P-3.	Dorothy E. Taylor.....	Statistical clerk.	CAF-4.
Roy R. Mills.....	Mail, file, and record clerk.	CAF-4.	Joseph L. Thomas.....	Mail, file and record clerk.	CAF-3.
Eva A. Morgan.....	Economist.....	P-3.	Bertha L. Trower.....	do.....	CAF-4.
Elger E. Offutt.....	Mail, file, and record clerk.	CAF-4.	Ralph W. Tyner.....	Economist.....	P-2.
Venolia G. Peyton.....	Statistical clerk.	CAF-4.	Gladys O. Waiters.....	Clerk-typist.....	CAF-3.
Ruth G. Poindexter.....	do.....	CAF-4.	Donald J. Weissberg.....	Economist.....	P-2.
Thomas M. Potts.....	Economist.....	P-1.	Elizabeth M. Wende- ll.	Clerk-stenog- rapher.	CAF-5.
Bess E. Reese.....	do.....	P-3.	Vivienne L. Win- stead.	Economist.....	P-2.
Reginald C. Revells.....	Clerk.....	CAF-3.	Kenneth F. Yates.....	do.....	P-2.
Walter R. Rogers.....	Statistician.....	P-5.			
Francis J. Rosenbaum.....	Economist.....	P-2.			

OFFICE OF BRANCH CHIEF

POLICY ANALYSIS AND RECORDS BRANCH

BUREAU OF DEMOBILIZATION

GEORGE W. AUXIER, CHIEF, POLICY ANALYSIS AND RECORDS BRANCH, WAR PRODUCTION BOARD HISTORIAN

History and background

Born November 27, 1905.

Bachelor of Arts (1930), Miami University, Oxford, Ohio.

Master of Arts (1934), Miami University, Oxford, Ohio.

Doctor of Philosophy (1938), Ohio State University, Columbus, Ohio.

Law student (1941—), Georgetown University, Washington, D. C.

Experience and employment record

1930-33: Instructor in social sciences in high school.

1934-35: University instructor, department of history, Ohio State University.

1936-37: Superintendent, survey of Federal archives in Ohio.

1937-40: Research assistant, Library of Congress, Washington, D. C.

1940-42: Assistant to editor, Territorial Papers of United States, Division of Research and Publications, Department of State, Washington, D. C.

1942: Liaison officer and head of Political Section, Division of Reports, Office of Censorship, Washington, D. C.

1942-44: Chief, Planning and Coordinating Section, Historical Branch, War Department General Staff, Washington, D. C. (Organized Historical Section, Office of Chief of Engineers, etc.).

1944 to date: Principal policy analyst, WPB-CPA, in charge preparation of volume II of WPB history (October 1945); Chief Policy Analysis Staff (April 1946); Chief, Policy Analysis and Records Branch, and War Production Board Historian (July 1946).

1940-45: Lecturer in American and United States Diplomatic History, George Washington and American Universities,* Washington, D. C.

Publications and writings

Military Aspects of United States Policy in the Caribbean; History of Military Intelligence Under the General Staff System, 1885-1941; Middle Western Newspapers and the Spanish-American War, 1895-98; American Neutrality and the Middle West; Propaganda Activities of Cuban Juntas in Precipitating the Spanish-American War; The Library of Congress and Historiography; A Study in the

Cultural Development of the American People; The Cuban Question in the Editorial Columns of Middle Western Newspapers; Tank Production Policies of WPB; Truck Production and Distribution Policies of WPB; Rubber Policies of the Defense Agencies, 1940-41; etc.

CARROLL K. SHAW, ASSOCIATE ORGANIZATION CONSULTANT

History and background

Born January 6, 1906.

1924: Lakewood (Ohio) High School.

1928: Bachelor of arts, Oberlin College, majoring in political science and journalism.

1929: Master of arts, Syracuse University, in international relations.

1929-30: University of Illinois, continued graduate study.

1930-31: Research Training Fellow at Brookings Institution.

1933: Doctor of philosophy, University of Illinois, political science.

Experience and employment record

November 1933 to March 1934, finance examiner in Finance Division, PWA, examining applications for public works loans and grants to ascertain their financial soundness. For short time was acting chief of section handling applications from four Southwestern States.

March 1934 to September 1934, on loan as finance examiner from the Finance Division of PWA to the PWA methods investigation staff, established to survey office methods and procedures of Washington office of Public Works Administration and recommend changes to speed up work.

September 1934 to September 1936, Administrative Assistant to Director of Inspection Division, PWA, analyzing organization and division.

September 1936 to April 1937, supervisor, procedure staff, Federal Emergency Administration of Public Works. Analyzed organization and procedures of all PWA field offices, recommended improved methods, and supervised their installation when approved by the executive officer of the Public Works Administration.

April 1937 to December 1941, alumni secretary and lecturer in public administration at Oberlin College, Oberlin, Ohio.

January to April 1942, senior administrative analyst in the Budget and Planning Branch of the WPB Administrative Division. As acting chief of Management Control Unit, responsible for coordination of all general administrative orders.

April 1942 to January 1943, administrative officer of the WPB Planning Committee under Robert Nathan. Prepared reports on organization and functions of various war agencies, made recommendations on administrative phases of Planning Committee recommendations.

January to March 1943, executive officer to the production vice chairman, Mr. C. E. Wilson. Position abolished by reorganization.

April 1943, associate organization consultant with the War Production Board and Civilian Production Administration. Until October 1944, as member of staff of the WPB Office of Organization Planning, studied organization problems of WPB, prepared for the Chairman general administrative orders, defining the organization and functions of major WPB units and their relations with other agencies. Devoted special attention to problems of the WPB field organization, making a number of special field studies. In October 1944, transferred to Policy Analysis and Records Branch, to prepare monograph on Field Organization and Administration of the War Production Board and Predecessor Agencies.

Publications and writings

Articles: Administrative Supervision of Field Service in the United States Treasury Department (1933). Unpublished doctoral dissertation submitted to the University of Illinois.

Numerous confidential reports submitted concerning administrative organization and problems of field offices surveyed in connection with work at both the Public Works Administration and the War Production Board. Reports varied from 10 to 30 pages in length.

As alumni secretary at Oberlin College, wrote several general feature articles for the alumni magazine.

PHILLIPS D. CARLETON, POLICY ANALYST

History and background

Born February 20, 1898.

Graduate high school 1916; attended Brown University for 2 years. Entered Marine Corps as enlisted man 1918-19. Graduated Brown University 1920, with bachelor of arts degree. Traveled in Norway to study language and literature. Master of arts degree 1935 from Brown University, and did some work toward doctor of philosophy degree.

Experience and employment record

1922-23: English instructor, University of Connecticut.

1925-26: English instructor, University of Oregon.

1927-42: Instructor and assistant professor, University of Vermont.

December 1942, captain in United States Marine Corps. Awarded Bronze Star for combat merit. Promoted to major, April 1946, editor, War Records Section, United States Bureau of the Budget. June 1946, policy analyst, CPA.

Publication and writings

Translation of *Peace*, a novel by Anne Garborg, 1929. Articles and translations of Scandinavian stories in *Modern Language Notes*, *American Literature*, *English Journal*, *Bulletin of American Association of University Professors*, *Marine Corps Gazette*, and others.

Edited the *United States at War*; *Development and Administration of the War Program* by the Federal Government, printed by the Bureau of the Budget (Washington: 1946); wrote monograph on *History of the United States Marine Operations on Guam*, and book on *History of the Sixth Marine Division at Okinawa*, in process of publication.

POLICY ANALYSIS STAFF, POLICY ANALYSIS AND RECORDS BRANCH, BUREAU OF DEMOBILIZATION

CLYDE BILLUPS, POLICY ANALYST

History and background

Born July 22, 1899.

1919-22: Broadus College Academy and Marshall College Preparatory School.

1922-25: Marshall College, Bachelor of Arts.

1926-26: University of West Virginia, Master of Arts.

1931-33: 1941-43, George Washington and American University, graduate work on economics.

Experience and employment record

1925-28: Teacher of American history; principal, high school.

1928-30: Assistant, University of West Virginia.

1930-32: Clerk and section chief, Population Statistics, Bureau of Census.

1932-35: Assistant superintendent of schools.

1935-38: State director, research and education program for WPA, West Virginia.

1938-40: Regional director, education, region II, WPA, and regional director, research, West Virginia, Maryland, and Virginia.

1940-41: Assistant, WPA office in Washington.

1941-42: Industrial analyst, OPM.

1942-43: Business analyst and Assistant Chief, Materials and Statistics Division, Office of Imports, FEA.

1943-45: Economist and Chief, Staff Research Branch, General Statistics staff, WPB.

1945 to date: Policy analyst, WPB-CPA.

Publications and writings

School Costs and Consolidation; sections of *Materials Handbook* of WPB; FEA Studies on Foreign Sources of Strategic Raw Materials; contributed to numerous WPB studies and reports, including Product Reports and Requirements for Controlled Materials and Facts for Industry; for WPB history prepared studies on service equipment, safety and technical equipment, and the automotive industry.

GILBERT CONVERS, POLICY ANALYST

History and background

Born, December 3, 1899.

Graduate, Thayer Academy (Massachusetts), 1918; Bachelor of Arts, Harvard, 1922; doctor of philosophy, Harvard, 1932.

Experience and employment record

1922-23: Instructor in history, University of Chicago.

1923-26: Instructor in American civilization, Lehigh University.

1926-30: Chairman of the department of history and government, Kelvin School, New York, N. Y.

1930-31: Postgraduate student, Harvard.

1931-34: International Labor Office, Division of Inter-American Statistics, Geneva, Switzerland, Assistant Director of the Division.

1934-36: Director of Research, Bibliography of American History; lecturer on international economic relations, New York Public Library and Columbia University.

1936-39: Director of research and publications, board of education, adult education department, New York, N. Y.

1939-40: Educational and industrial research consultant, Committee for Refugee Education and Citizens' Committee on Public Libraries, New York, N. Y.

1940-42: Economic feature writer, Transradio Press Service, New York, N. Y.

1942-43: United States Army.

1943-45: Chief of Analysis Unit, Coordinator of Inter-American Affairs, Washington, D. C.

1945 to date: Policy analyst. WPB-CPA, Washington, D. C.

Publications and writings

Study pamphlets for the Board of Education of New York City on Social Security, Coal Industry, Textile Industry, Milk Industry (New York State), Housing, History of American Labor, and Social Science Teaching Aids. Surveys for some on: A Survey of Adult Education Facilities in the Borough of Queens.

Surveys for the citizens' committee on libraries on Report on Wage and Tenure Policies of the Public Libraries of New York City.

Teaching aids for the committee on refugee education: Coauthor of a Guide to Materials for Teaching English to Refugees.

Studies and brochures for the International Labor Office on Labor Legislation in Latin America, Per Capita Incomes in United States and Latin America, Comparative Indices of Standards of Living, and Social Security Legislation in Latin America.

Periodical reports for the Coordinator of Inter-American Affairs: A daily summary of German and Japanese radio propaganda in Latin America; a weekly analysis of propaganda trends over the German and Japanese radios; and Special Reports on studies and reports of enemy penetration activities in Latin America, studies and reports of native subversive activities in Latin America; and studies and reports of hemisphere information channels and media.

NATHAN D. GRUNDSTEIN, POLICY ANALYST

History and background

Born September 19, 1913.

Bachelor of arts, Ohio State (1935); master of science, Ohio State (1936); doctor of philosophy, Syracuse University (1942); public administration; at present third-year night law student; law student, George Washington University (evenings) (1943-47).

Experience and employment record

1939: Research assistant, New York State Civil Service Commission.

1939-40: Research assistant, Department of Agriculture, Office of the Solicitor.

1940-41: Junior administrative technician, Food and Drug Administration.

1941-43: Labor Production Division, WPB.

1943-45: Assistant to the Vice Chairman for Labor Production, WPB.

1945 to date: Policy analyst, WPB-CPA.

Publications and writings

A Review of Statutory Appeals Provisions, Personnel Administration (January and February 1941); coauthor with Ashley Sellers of Administrative Practice and

Procedure in the Department of Agriculture Under the Plant Quarantine Act (1940, Department of Agriculture mimeograph); Administrative Practice and Procedure in the Department of Agriculture Under the Food, Drug and Cosmetic Act of 1938 (1940, Department of Agriculture mimeograph); Subdelegation of Administrative Authority in *George Washington Law Review* 144-196 (February 1945). Doctor of philosophy thesis: *Judicial Review of Removal Procedure in New York*. Master's thesis: *The influence of the National Federation of Federal Employees upon Federal Personnel Legislation: Classification, Salaries, Retirement*.

A. DRUMMOND JONES, POLICY ANALYST

History and background

Born March 27, 1901.

Bachelor of arts (1921), Randolph Macon College, Ashland, Va.

Master of arts (1930), Columbia University.

Doctor of philosophy (in progress).

Experience and employment record

1930-35: Lecturer and instructor in education, College of the City of New York.

1935-36: State supervisor of workers' education, New York City and Albany, N. Y., New York State Education Department and Works Progress Administration.

1936-39: Agricultural economist, Agricultural Adjustment Administration; initiating and operating a national program of public discussion in rural areas, on economic and social problems affecting rural people.

1939-42: Senior social scientist, Bureau of Agricultural Economics, United States Department of Agriculture.

1942-43: Head, Field Activities Section, Division of Community Services, Office of War Information, Washington, D. C.

1943: Principal civilian mobilization specialist, Office of Civilian Defense, Washington, D. C.

1944 (1 month): Industrial relations specialist, War Production Drive Division, War Production Board, Washington, D. C.

1944 to date: Policy analyst, WPB-CPA.

Publications and writings

The role of the Office of Civilian Requirements in the Office of Production Management and the War Production Board, Policy Analysis and Records Branch, CPA, Washington, May 1946 (War Production Board: Historical Reports on War Administration, Special Study No. 20); Resumption of Production of Domestic Electric Flat Irons (with Maryclaire McCauley); "Can We the People Solve Our Problems?" in *Handbook for Discussion Leaders*, Carnegie Endowment for International Peace, New York; "Rural America Revitalizes Democracy," *Journal of Adult Education*, National Education Association, April 1940; "Farmer Discussion Is Adult Education," *Adult Education Bulletin*, American Association for Adult Education, New York, June 1941; "Farmers Forming Discussion Groups in More Than 40 States," *Bulletin of the American Library Association*, Chicago, March 1939; *Workers' Education*, New York State Education Department, New York, 1936.

GEORGE R. KINZIE, POLICY ANALYST

History and background

Born, September 27, 1908.

Bachelor of business administration, University of Florida (1931).

Master of science, Harvard Business School (1935).

Experience and employment record

1935-38: Research analyst, Boston investment counsel firm, Standish, Ayer & McKay, Inc., analyzing business outlook of companies and writing reports on findings.

1938-41: Industry analyst, Battelle Memorial Institute, Columbus, Ohio, analyzing commercial prospects of selected products and writing reports thereon.

1942-45: Industry analyst, WPB, supervising statistics and research departments, compiling and analyzing statistics of steel and copper industries.

1945 to date: Policy analyst, writing historical analysis of problems and policies of WPB in the realm of metals.

Publications and writings

Article, The Part Played by Steel Scrap in the National Defense, published in the Annalist (New York Times), April 11, 1940. Wrote the economic text of the 1942 Yearbook of the Institute of Scrap Iron and Steel.

W. GRANT M'COLLEY, POLICY ANALYST

History and background

Born, July 9, 1896.

Graduated, business college, Washington University, St. Louis.

Bachelor of arts, Lake Forest College (1921).

Master of arts, Northwestern University (1923).

Doctor of philosophy, Northwestern University (1928).

Experience and employment record

1935-38: Research consultant, Smith College.

1939-41: Associate editor, Armour Engineer, Institute of Technology.

1941-43: Special consultant, Inland Steel Co., Chicago.

1944-45: Economist, WPB.

1945 to date: Policy analyst, WPB.

Publications and writings

Facilities Expansion, July 1940-June 1945 (WPB); 2 books, 3 monographs, and 60 articles in professional journals.

FREDERICK WILLIAM HARRISON, POLICY ANALYST

History and background

Born, Houlton, Maine, February 2, 1903.

1920: Graduated from high school, Houlton, Maine.

Bachelor of arts, University of Maine, Orono, Maine (1926). Major: Economics.

Doctor of philosophy, New York University. Major: Economics (1941).

Experience and employment record

1928-30: New York University, bureau of business research, New York, N. Y. Statistician doing business research which consisted principally of assembling and analyzing industrial statistical data which formed the basis for articles by Lewis H. Haney, director of the bureau, published in the Iron Age, Textile World, and similar publications.

1930-31: Teaching fellowship. New York University, economics department.

1931-34: Instructor, Rensselaer Polytechnic Institute, Troy, N. Y.

1934-38: Graduate student, New York University.

1938-41: Instructor, Connecticut College for Women, New London, Conn. Taught courses in banking, investments, American economic history, history of economic thought.

1941-42: Statistician, Iron and Steel Branch, War Production Board, Washington, D. C. Analyzed policy with regard to steel and steel products with a view to obtaining necessary statistical information for carrying out these policies. Developed necessary report forms for this purpose.

1942-46: Economist, Foreign Trade Division, Census Division. Formulated policy for Census Bureau regarding types of information included in foreign-trade reports. Wrote articles for trade journals and Government publications.

1946- : Policy analyst.

Publications and writings

Monographs on urban sociology used in connection with textbook, 40-60 pages. Textbook material in collaboration with Professor Friederich, 75-100 pages. Numerous articles in trade journal and Government publications (computation of pages not available). Foreign trade classification schedules and bulletins, 1,000¹ pages. Public Regulation of Security Exchanges (Ph. D. thesis), 300 pages.

¹ Part or all of these schedules are republished annually. One thousand pages is our estimate of major revisions made while I was chief of the Classification and Codes Section, Census.

PAUL EMMETT SWEENEY, POLICY ANALYST

History and background

Born, April 17, 1898.

Bachelor of philosophy (1921), University of Notre Dame.

Master of arts (1932), Canisius College, Buffalo, N. Y.

Doctor of philosophy (1942), University of Buffalo.

Experience and employment record

1921-22: Instructor in economics and history, University of Portland Junior College, Portland, Oreg.

1923-24: Instructor in economic geography, University of Colorado.

1925: News staff, the Economist, Business Weekly, Chicago, Ill.

1926-40: Professor of economics, Canisius College, Buffalo, N. Y.

1938-39: Instructor in taxation and public finance, Millard Fillmore College, University of Buffalo.

1940-41: Lecturer in economics, University of Buffalo.

1941-42: Professor of economics, Niagara University, Niagara Falls, N. Y.

1942-43: Associate transportation economist, Board of Investigation and Research.

1943-44: Senior transportation economist, Division of Transportation and Storage; Principal Transportation Economist and Chief, Transportation Studies Section, WPB.

1945: Assistant and Acting Chief, Aircraft Branch, Military Division, Program and Statistics Bureau, War Production Board.

1945-47: Policy analyst, WPB.

Publications and writings

Handbook to be used in preparing for New York State regents' examinations in economics (1928); Recent Economic Developments (supplement to above); Trend Toward Federal Centralization (1932); Locational Economics With Applications to the Grain Trade and Flour Milling Industry of Buffalo (1942); Staff Report, Board of Investigation and Research, The Economics of Cement Traffic Flow (1943); Chapters on History of War Production Board, Aircraft, Office of War Utilities, Transportation and Storage.

DAVID HORTON, POLICY ANALYST

History and background

Born March 13, 1914, St. Louis County, Mo.

1927-31: Webster Groves High School. Bachelor of arts (1935), Washington University (St. Louis), majoring in political science and economics. Master of arts, 1936.

1936-38: In department of government, Harvard University, completing all requirements for doctor of philosophy degree in political science, except the dissertation.

Experience and employment record

1939-42: Instructor in social science and international relations, Wright (Municipal) Junior College, Chicago, Ill.

1942-45: War Production Board, beginning as import priority analyst, ending as Chief, Shipping Branch.

1945-46: Civilian Production Administration, Director of Imports Division and later of Import-Export Divisions.

1946 to present: Policy analyst in Policy Analysis and Records Branch.

Publications and writings

Chapters on Metropolitan regions and American foreign policy in volume 2 of Introduction to Social Science, Macmillan, New York, 1942. History of the Division of Stockpiling and Shipping of the War Production Board and Predecessor Agencies, January 1946. The Problem of the Unification of St. Louis and St. Louis County, master's thesis, Washington University, St. Louis, Mo., June 1936.

WILLIAM CHAIKIN, POLICY ANALYST

History and background

Born, July 25, 1912.

High school, New York, N. Y.

Certificate d'historie (1932), University of Paris, France.
 Bachelor of arts (1933), University of Wisconsin.
 Master of arts (1934), University of California.
 Doctor of philosophy (1939), University of California.

Experience and employment record

1934-37: Reader and teaching assistant in history, University of California.
 1937-38: James Sutton traveling fellow in history, University of California.
 1939-41: Assistant Director, Work Projects Division, National Youth Administration for California.
 1941-43: Director, employment department and secretary, San Francisco Committee for Service to Emigres.
 1943-44: War labor analyst, national roster, War Manpower Commission.
 1944-46: Political analyst, Office of Strategic Services.
 1946: Policy analyst, Civilian Production Administration.

Publications and writings

Youth Groups During the French Revolution (unpublished doctoral dissertation), c. 300 pp.
 Numerous confidential reports and studies for the Office of Strategic Services, c. 600 pp.
 Shipbuilding Activities of the War Production Board (PARB study in preparation), c. 300 pp.

ELLIOTT MORTON HELFGOTT, POLICY ANALYST

History and background

Born March 2, 1918.
 Bachelor of arts (1937), City College of New York.
 Master of arts (1938), Brooklyn College.
 Additional postgraduate work at Brooklyn College, 1939.

Experience and employment record

1938: New York State pharmacist, assistant to editor of trade magazine.
 1939: Five and Ten Movie Co., New York City; wrote scripts for documentary films.
 1939: Radio Station WLTH, New York City, continuity writer and assistant director; assisted in direction of and wrote continuity for radio program based upon dramatic presentation of American poetry.
 1940-41: Emerson Books, Inc., New York City; performed editorial, publicity, and sales work for company specializing in publication of popular scientific and technical books.
 1941: Public School 199, Brooklyn; teacher of health education; assisted in supervision of summer playground and directed athletic activities of boys ranging in age from 5 to 18.
 1941-42: William Howard Taft High School, New York City; taught English in large New York City high school.
 1942: Division of Press Intelligence, Washington, D. C., editorial clerk; prepared items for publication in Daily Press Intelligence Bulletin.
 1942-43: Senate Small Business Committee, Washington, D. C.; economist and research assistant; performed various functions on research staff, with particular emphasis on metals and minerals.
 1943-45: War Production Board, Washington, D. C., economist. Worked on labor and production problems of nonferrous metals industry, and served as labor adviser to Quota Committee.
 1945 to date: Civilian Production Administration, Washington, D. C., archivist (policy analyst).

Publications and writings

Helped write and prepare for publication monograph entitled "Pooling for Production," published by Senate Small Business Committee in 1942.

Have written for Civilian Production Administration reports of varying lengths, totaling some 325 pages, on wartime handling of metals and minerals problems in WPB, including sections on copper, aluminum, magnesium, cork, asbestos, fibrous glass, manganese, nickel, chrome, molybdenum, tungsten, vanadium, cobalt. Some 20 other minerals remain to be covered.

Wrote numerous reports for WPB and other Government agencies on production and labor problems of mining industry and of individual properties.

Wrote reports for Senate Small Business Committee on a number of wartime problems including industrial mobilization planning and conversion to war production.

Wrote publicity and sales releases for publishing company, and did some rewriting.

Wrote 45-page thesis for master of arts degree on Seventeenth-Century Criticism of Milton's *Paradise Lost*.

CURTIS W. GARRISON, POLICY ANALYST (ARCHIVIST)

History and background

Born June 29, 1901.

Bachelor of arts (1926), University of Richmond.

Doctor of philosophy (1928), Johns Hopkins University.

Experience and employment record

1926-27: Research secretary for Representative Theodore E. Burton.

1927-33: Assistant in Manuscript Division, Library of Congress.

1933-36: State archivist of Pennsylvania, Harrisburg.

1937-46: Director of Hayes Research Foundation, Fremont, Ohio.

1946, July, to date: Policy analyst, Civilian Production Administration.

Publications and writings

Twenty-seven articles for the Dictionary of American Biography (see index volume); List of Manuscript Collections in the Library of Congress to July 1, 1931, published in the American Historical Association Annual Report for 1930, and issued separately by the Library of Congress; CWA Historical Records Survey of Pennsylvania, published in Papers of the Association of State Libraries, 1934; Concentration versus Decentralization of County Archives, published in 1936; The Difference Between Private Manuscripts and Archives, in American Archivist, 1938; Notes of a President's Biographer (notes of W. H. Smith, designate-biographer of R. B. Hayes), published in the Mississippi Valley Historical Review, 1938; Hayes' Interest in Southern Education, published in 1940; President Hayes as Opponent of Prohibition, published in Northwest Ohio Quarterly, 1943; The United States, 1865-1900: A survey of Current Literature, an annual edited for 3 years, 1942-44.

JESSE A. REMINGTON, POLICY ANALYST (ARCHIVIST)

History and background

Born August 30, 1915. Graduated, Laurel High School, Laurel, Md., 1933.

Bachelor of arts (1937), University of Maryland.

Master of arts (1938), University of Maryland.

Doctor of philosophy (1940), University of Maryland.

Experience and employment record

1938-40: Research fellow in history at the University of Maryland. Historical research for the department of history, teaching courses in American and European history, and departmental administrative duties.

1941-43: Military personnel technician. Made detailed studies of educational and occupational background of military personnel to determine classification in the armed forces.

1944-46: Military historian, Historical Branch, G-2, War Department General Staff, Washington, D. C., and Headquarters, China Theater, Chungking, China.

Military discharge, January 12, 1946, grade, master sergeant.

1946 to present: Policy analyst (archivist), Civilian Production Administration, Washington, D. C.; salary \$5,905.

Publications and writings

Doctoral dissertation, States Rights in Maryland, 1790-1832, completed in 1940; research and writing of staff studies and monographs on military history covering such subjects as the Guadalcanal Campaign; research and writing of the military campaign of Chinese and American forces in the China theater during World War II. This involved detailed analysis of the over-all Allied and enemy strategy and operations from top-secret documents, supplemented by interviews with Allied commanding officers in the theater; critical review and evaluation of

theater policies, organization, and administrative procedures, as reflected in official correspondence; correlation and integration of a wide variety of pertinent data; and the writing of the history of the China theater, in 500 pages, fully documented and in accordance with recognized standards of historical scholarship; preparing studies and reports of the wartime policies and administrative problems of the War Production Board and its predecessor agencies, 1940-45, covering such subjects as Farm Machinery, Industrial Equipment, and Rubber.

BENJAMIN FLEISHER, POLICY ANALYST

History and background

Born, July 7, 1907.

Bachelor of arts (1930), Johns Hopkins University.

Master of arts (1932), Columbia University.

1933: Completed full course (residence) requirements for doctor of philosophy at Columbia.

From 1933 to 1940: Research and doctoral dissertation in historiography in the division of history, economics, public law, and sociology of the faculty of political science at Columbia.

1943-44: Seminar in administrative management at graduate school of Department of Agriculture.

Experience and employment record

January to October 1940: Barry Morell, wholesale florist supplies. Duties: Managerial; selling and supervision of help.

October 1940 to April 1942: Ephraim Fleisher, diamond importing. Duties: Managerial; assisted in liquidation of business without loss.

October 1941 to April 1943: Temple School, secondary teaching. Principal, J. Segner, 111 West End Avenue, Brooklyn, N. Y.

October 1941 to April 1943: Jewish Culture Council and Jewish Education Committee, lectures in history, in education policy, New York City.

April 1943 to January 1944: OPA, Shoe Rationing Branch. Assistant economist recommendations for the administration of the shoe-rationing program involving issues of economics as well as questions of public policy.

January to May 1944: OPA, Food Price Division. Associate economist responsible for pricing policy, olive oil, waste fats, etc.

May 1944 to October 1945: War Production Board. Economist, staff work of Office of Manpower Requirements for Program Adjustment Committee and top Requirements Committee of WPB; also for Essential Activities Committee of WMC on which OMR represented WPB. Also special problems of research and of liaison.

October 1945 to April 1946: War Department, Information and Education Branch. Instructor, American Army University, Bearretz, France.

April 1946 to date: Civilian Production Administration, Policy Analysis and Records Branch. Policy analyst. Preparation of report for publication dealing with industrial mobilization for war in chemicals, 1940-45.

Publications and writings

(a) Role of Mind in British Philosophy From Lord Herbert of Cherburg to Bishop Berkeley.

(b) Historiography of Major Traditions of European Philosophy (doctoral dissertation, in process of preparation for publication).

(c) Functional History of the Office of Manpower Requirements.

(d) Analysis of Aristotle's Ethics.

(e) Comparison of Locke and Condillac.

(f) J. S. Mill's Ethics.

(g) Substance from Descartes to Spinoza.

WILLIAM J. SCHUCK, POLICY ANALYST

History and background

Born, November 29, 1914.

Bachelor of Science, University of Illinois (1937).

Master of Science, University of Illinois (1938).

1942-47 (part time): American University. About 1 year of graduate study; completes two-thirds of study toward Doctor of Philosophy. Includes studies in Sloan seminar.

Experience and employment record

June 1938 to June 1939: Examiner, Illinois State Civil Service Commission.

June 1939 to March 1941: Technical assistant, Illinois Department of Labor.

July 1941 to October 1942: Analyst and junior economist, United States Maritime Commission.

October 1942 to December 1942: Assistant Economist, United States Maritime Commission and War Shipping Administration.

December 1942 to December 1943: Assistant economist.

January 1944 to January 1945: Economist, War Manpower Commission.

January 1945 to July 1945: Historian (policy analyst), War Manpower Commission.

July 1945 to July 1946: Historian (policy analyst), WMC.

July 1946 to February 1947 (to date): Civilian Production Administration.

Publications and writings

Articles: Master's thesis at University of Illinois, Collective Bargaining in the Glass Container Industry (1938), 125 pages. At Social Security Board, about 50-page draft of study on effects by industry categories of social security taxes (1942). Adjustment of Production to Manpower Reserves, 1941-45, study written at War Manpower Commission, about 150 pages (1945). Government Attempts to Eliminate Discriminatory Hearing Practices 1941-45, study written at War Manpower Commission, about 100 pages (1946). Industry Advisory Committees, draft of study about 100 pages, Civilian Production Administration (1947).

MARYCLAIRE M'CAULEY, POLICY ANALYST

History and background

Born, December 6, 1917.

1935: Graduated St. Cecilia High School, Wyoming, Pa.

Bachelor of arts (1939): College Misericordia, Dallas, Pa., with highest honors.

1940: Attended Bucknell University, nights.

September 1941 to June 1943: George Washington University, nights.

June to September 1946: Attended American University.

Presently enrolled at George Washington University.

Experience and employment record

1939-41: Legal secretary, law clerk; work involved considerable investigation and research into land titles, liens, mortgages, and minor research in criminal law.

1941-42: Administrative assistant, Office of Price Administration, Washington, D. C. Came to Washington with intention of taking law degree.

July 1941: Accepted position with OPACS as secretary, receptionist; took technical dictation involving oil and coal terminology; composed correspondence, etc.

August 1941: Promoted to CAF-3 to position of junior administrative assistant to unit chief.

October 1941: Promoted to CAF-4.

December 1941: Promoted to CAF-5, administrative assistant.

September 1942 to October 1943: Research librarian, War Production Board, Washington, D. C., in addition to rendering research assistance to members of executive secretariat of WPB, organized nucleus of Historical Records Branch of WPB, and formulated classification and cataloging system which is currently used in CPA Historical Records Section.

November 1943 to present: Policy analyst, WPB, CPA, OTC.

Publications and writings

Metals and Minerals Policy of the WPB and Predecessor Agencies; Concentration of Civilian Production by the WPB; Pulp and Paper Policies of the War Production Board; Resumption of Production of Domestic Electric Flatirons; The Closing of the Gold Mines; The Conversion of American Industry From Peace to War Production; Report of the Chairman of the WPB to the President, 1944 (several chapters; Industrial Mobilization for War (chs. I and II, coauthorship with Charles M. Wiltse); Digest of Minutes of the OPM, published in 1945; Select Bibliography on United States Priority Controls Instituted During World War II; series of smaller reports.

Won world's fair medal for poetry, 1939; Vogue's Prix de Paris essay contest, 1939, from sophomore year in college, have had fiction, factual articles, and poetry published in such magazines as America, The Commonweal, The Catholic World,

Better Homes and Gardens, Good Housekeeping Magazine, Ladies' Home Journal, The Scholastic Magazine, Extension, The Sign, and a long series of small magazines and poetry journals. Have a novel in preparation, with American-French early colonial background (1789-1815) which Houghton-Mifflin Co. has agreed to publish upon completion.

MARIAN D. TOLLES, POLICY ANALYST

History and background

Born, November 13, 1902.

1921: Graduated private high school, New York City.

1925: Bachelor of arts, Smith College (history). Two years, London School of Economics.

1932: Master of arts, Smith College (economics).

Experience and employment record

1927-29: Head of history department, Kemper Hall, Kenosha, Wis.

1929-31: Instructor in economics, Mount Holyoke College, South Hadley, Mass.

1931-35: Part-time economics instructor, Smith College.

1937: Research assistant, national research project.

1937: Research assistant, National Resources Committee.

1937-39: Research assistant, Brookings Institution.

1939-40: Assistant economics analyst, Temporary National Economic Committee, Department of Commerce.

1940-41: Associate economist, National Defense Advisory Commission.

1941-42: Associate economist, OPM.

1942-44: Economist, WPB.

1944 to date: Policy analyst.

Publications and writings

History of French Subsidies to Commercial Aviation, 1934. Collaborated in preparation of various reports for NDAC, OPM, WPB.

IRENE B. WALKER, POLICY ANALYST

History and background

Born, December 17, 1905.

Bachelor of arts (1927), Goucher College.

Master of arts (1928), University of Wisconsin.

Doctor of philosophy (in progress), 1928-29, University of Wisconsin; graduate work at Johns Hopkins (1925); South Dakota State College (1932-34); and Graduate School, Department of Agriculture.

Experience and employment record

1924: Audit clerk, Manufacturers Finance Co., Baltimore, Md.

1926: Editing clerk, Johns Hopkins University.

1928-29: Assistant in history, University of Wisconsin.

1935: Editor, Federal Employment Relief Administration, South Carolina.

1935-42: Rural Electrification Administration, statistical clerk, senior proof-reader and assistant supervisor of Stenographic Unit, junior statistician, and junior administrative assistant.

1942-44: Associate economist and economist, OCR, WPB.

1944-45: Special assistant to Chief of Leather Branch, OCR, WPB.

1945 to date: Policy analyst, CPA-WPB.

Publications and writings

Influence of Napoleon in Babaria; The Part Which the Ohio River Played in the Development of the Middle West; History of Land Tenure Systems in the South; confidential studies, field bulletins for REA; restricted studies for WPB on Civilian Leather Products Required for 1944; Civilian Leather Products Requirements for 1945; Civilian Shoe Programs; Fabric Requirements for Leather Products; CPA Reconversion Activities in Consumer Durable Goods; CPA Residential Construction Policies and Activities; and History of the Leather Products Branch, OCR, WPB. For publication by CPA chapters for volume II of WPB history on Leather and Leather Products, 1940-45; and Consumer Durable Goods, 1940-45.

CHARLES PRINCE, POLICY ANALYST

History and background

Born, November 21, 1905

Bachelor of science, 1926-30: St. Louis University, economics.

1931-32: Washington University, St. Louis, economics

1935-37: University of Chicago; scholarship, international law.

Doctor of philosophy, 1942: Georgetown University, political science.

Experience and employment record

1940: Social Security Board, St. Louis, Mo. Analysis of welfare problems in the State.

1941-42: Office of Price Administration, Washington. Economist, analysis of price adjustments.

1942-43: Board of Economic Warfare, Washington. Economist, analysis of bombing targets.

1943-44: Indiana University, Bloomington, professor.*

1944-45: Foreign Broadcast Intelligence Service, Federal Communications Commission. Chief Analyst, analysis of scope and contents of foreign broadcasts. Edited two weekly surveys.

1945-46: Chamber of Commerce of the United States. Economic analyst.

Publications and writings

1. The U. S. S. R. and International Organizations, in American Journal of International Law, July 1942.

2. Legal and Economic Factors Affecting Soviet Russia's Foreign Policy in American Political Science Review, No. 4, August 1944, and No. 5, October 1944.

3. A Psychological Study of Stalin in the Journal of Social Psychology, December 1945.

4. Current Views of the Soviet Union on International Organization of Security and International Law, in American Journal of International Law, July 1945.

5. Evolution and Crisis of Soviet Jurisprudence, in American Bar Association Journal, November 1945, and editorial on author.

6. The USSR's Role in International Finance, in Harvard Business Review, autumn, 1946.

7. The Case for Effecting a Commercial Treaty Between the Soviet Union and the United States, in Congressional Record, June 21, 1946.

Comprehensive book reviews also in Annals, Thought—Fordham University, Political Science Quarterly, and American Bar Association Journal.

M. HAMLIN CANNON, POLICY ANALYST

History and background

Born, September 12, 1909.

Bachelor of arts (1934), University of Utah; master of arts (1938), George Washington University; Doctor of philosophy (in progress), Johns Hopkins.

Experience and employment

1931: Clerk, Veterans' Administration.

1933-42: Chief, Mail and Duplication Section, RFC.

1942-43: Archivist, National Archives.

1943-45: Navy service.

1945-46: Archivist, National Archives.

1946 to date: Policy analyst, CPA.

Publications and writings

General Scott and the Utah Expedition, Military Affairs, fall, 1941; Abstracted Indian Trust Bonds, Improvement Era, July-August 1942; Mormon Declaration of Rights, Harvard Theological Review, July 1942; A Pension Office Note on Brigham Young's Father, American Historical Review, September 1944; An Early Critic of the Mormons, Mississippi Valley Historical Review, October 1944; Bankruptcy Proceedings of Joseph Smith in Illinois, Pacific Historical Review, December 1945; A Further Note on the Bankruptcy of Joseph Smith in Illinois, Pacific Historical Review, June 1946; Mormon Flight, Washington Post, July 24, 1941; Angels and Spirits in Mormon Doctrine, California Folklore Quarterly, September 1945; The Mormon War (master of arts thesis), George Washington University, 1938; Deseret: Brigham Young's Empire (book manuscript now in the hands of a publisher); Dairy of a Mormon Apostle, which has been submitted

to the Pacific Historical Review; The Mormon Missionaries in England (book manuscript now in course of preparation); Migration of English Mormons to America, scheduled to appear in the April 1947 issue of the American Historical Review. As a part of my official duties, I have prepared the following studies: Administrative histories of the Bureau of Sales of the Alien Property Custodian of World War I and of the Division of Insurance and the Patent Division of the same agency. These studies were prepared at the National Archives. At the Civilian Production Administration, I have prepared a chapter on "Bearings" for volume II of the over-all history of the War Production Board, and am now engaged in writing a chapter on "Batteries." In addition to the foregoing writings, I published in collaboration with Herbert Fine a study entitled "Repository of Labor Records," which appeared in the American Federationist in July 1943.

JEROME THOMASES, ARCHIVIST, POLICY ANALYST

History and background

Born, February 27, 1918.

Bachelor of science (1938), College of the City of New York; master of arts (1941), American University, Washington, D. C.; doctor of philosophy, in progress, American University.

Experience and employment record

1939-43: Archivist, National Archives.

1943-46: United States Army.

May-July 1946: Archivist, National Archives.

July 1946 to January 1947: Historian and archivist, War Assets Administration.

January 1947 to date: Civilian Production Administration.

Associate editor, Military Affairs, 1942-43, 1946.

Publications and writings

Fort Bridger, A Western Community, Military Affairs, winter, 1941.

Mechanized Mobility, Military Affairs, fall, 1942.

Freeman Hunt's America, Mississippi Valley Historical Review, winter, 1943.

Contributor to World War I Agencies, published by the National Archives, 1943.

SECURITY SECTION, POLICY ANALYSIS AND RECORDS BRANCH, BUREAU OF DEMOBILIZATION

CLARENCE J. KING, SECURITY OFFICER

History and background

Born February 18, 1901, and educated in public schools and St. Johns College of Washington, D. C.

Experience and employment record

1921-26: Auditor and assistant supervisor, Standard Oil Co. (New Jersey).

1926-31: House manager, Warner Bros. Theaters.

1931-36: Assistant sales manager, Palace Laundry.

1936-42: Supervisor, Social Security Board.

1942-42: Chief, Issuance Section, War Production Board.

1942-43: Chief, Routing Section, War Production Board.

1943-45: Intelligence officer, War Production Board.

1945 to date: Security officer, War Production Board and Civilian Production Administration.

WILLIAM C. KIRCHER, DEPUTY SECURITY OFFICER

History and background

Born July 6, 1899.

Education consisted principally of private schooling.

Experience and employment record

1921-25: Assistant treasurer, Austin Grant & Co., Inc., New York City, investment banking.

1925-31: Syndicate manager, Chas. D. Robbins & Co., New York City, investment banking and brokerage firm.

1927-30: Treasurer and director, Missouri, Kansas Zinc Corp., Waco, Mo., and New York City. (Zinc and lead mining in the States of Missouri, Kansas, and Oklahoma.)

1928-31: Secretary of Durob Corp., New York City.
 1931-33: Private business, investment banking, New York City.
 1933-42: Unit manager, Work Progress Administration, New York City.
 1942 to date: WPB-CPA as Chief, Distribution Unit; Chief, Building Security Section; Chief, Identification Section; Chief, Document Security Section; and deputy security officer.

HISTORICAL RECORDS SECTION POLICY ANALYSIS AND RECORDS BRANCH BUREAU OF DEMOBILIZATION

ELBERT L. HUBER, PRINCIPAL ARCHIVIST, CHIEF, HISTORICAL RECORDS SECTION

History and background

Born, May 28, 1903.
 Bachelor of arts (1928), George Washington University.
 Master of arts (1930), American University.
 Doctor of philosophy (in progress), 3 years residence on.

Employment record

1919-24: Teacher, elementary schools in Nebraska.
 1924-26: Clerk, Bureau of Internal Revenue, District of Columbia.
 1926-37: Clerk, General Accounting Office, District of Columbia.
 1938-43: Archivist, National Archives.
 1943 to date: Archivist, WPB-CPA.

Publications and writings

The Ratification of the Constitution in the State of South Carolina (masters' thesis, George Washington University, 1930); Commissary General of Purchases in Journal of the American Military Institute, spring, 1939.

MARIE C. STARK, SENIOR ARCHIVIST, ASSISTANT CHIEF, HISTORICAL RECORDS SECTION

History and background

Born, September 21, 1914.
 Bachelor of arts (1933), Mississippi State College for Women. University of Arkansas (1933).
 Master of arts (1935), Columbia University.
 Bachelor of science (1935), Columbia University (library science).
 Doctor of philosophy (in progress), American University since 1941.

Experience and employment background

1935-36: Reviser, Columbia University, School of Library Service, New York City.
 1936-37: Library branch assistant, Brooklyn Public Library, Brooklyn, N. Y.
 1937-43: Assistant Archivist, the National Archives, Washington, D. C.
 1943 to date: Senior Archivist, Civilian Production Administration (WPB), Washington, D. C.

Publications and writings

Policy Documentation in the War Production Board, in The American Archivist, January 1946;
 The Consolidation of Files, in The American Archivist, January 1944.
 Materials for Research in the Files of International Claims Commissions, in The American Neptune, A Journal of Maritime History, January 1943.
 Industrial Service Badges, in Military Affairs, Journal of the American Military Institute, fall 1941.

SAMUEL BRANSON MARLEY, JR., ARCHIVIST

History and background

Born, October 30, 1916, Henderson, N. C.
 Bachelor of arts, 1937: University of North Carolina; major: American history; minor, political science.
 1937-38: No degree. Graduate study: University of North Carolina.
 Major: American history.

Employment and experience record

July 1938 to September 1942: Project supervisor and later State supervisor, Work Projects Administration (North Carolina). Chief editor, director of

research, and director of public records program of the Historical Records Survey project (July 1938–December 1941); State supervisor of all State units of Nation-wide clerical defense projects (December 1941–September 1942).

September 1942 to December 1943: Head of the Department of History and Social Science, Oak Ridge Military Institute (Junior College), Oak Ridge, N. C.

December 10, 1943: Archivist, Civilian Production Administration (formerly War Production Board).

Publications and writings

Editor of publications of the North Carolina Historical Records Survey project (WPA) including A Guide to the Manuscript Collections in the Duke University Library (v, 165 p. Mimeo., June 1939); A Calendar of the Bartlett Yancey Papers in the Southern Historical Collection of the University of North Carolina Library (iv, 48 p. Mimeo. February 1940); A Guide to the Manuscript Collections in the Southern Historical Collection of the University of North Carolina (Chapel Hill, 1941); and 12 volumes of administrative studies and records analyses of agencies of the State government. Also-editor, Minutes of the General Court of Albermarle, 1684, the North Carolina Historical Review, XIX, 48–58 (January 1942) and author The Quartermaster Corps Historical Studies, Military Affairs (forthcoming).

HARLESS WAGONER, ARCHIVIST

History and background

Born April 13, 1918.

Bachelor of arts, Purdue and Butler Universities, 1941.

Master of arts, University of Wisconsin, 1942.

Experience and employment record

July to November 1942: Routing analyst, WPB.

November 1942 to July 1943: Junior industrial analyst, WPB.

July 1943 to date: Archivist, WPB-CPA.

Publications and writings

Master's and bachelor's essays (latter for high honors degree (magna cum laude)).

MILTON V. RITTER (ARCHIVIST)

History and background

Born May 6, 1902.

Bachelor of arts (1927), University of Montana.

Master of arts (1935–39), University of Minnesota.

Experience and employment background

1927–35: Eight years' teaching at high school and junior college levels.

1940–41: Educational adviser, Civilian Conservation Corps.

1941–42: Occupation coder, OPM-WPB.

1942 to date: Archivist, WPB-CPA.

Publications and writings

Survey of WPB records (60 p.).

CLAUDE MEALS, ARCHIVIST

History and background

Born May 25, 1910.

Bachelor of Science, 1937, Tennessee State College.

Master of Arts, 1940, Howard University, Washington, D. C.

Experience and employment record

October 1940–May 1942: Instructor in chemistry and biology at Butler College, Tyler, Tex.

May 1942–September 1943: Washington Navy Yard.

September 1943: Assistant statistical clerk, War Production Board.

May 1944: Statistical clerk, assistant supervisor, War Production Board.

June 1944: Economist, War Production Board.

March 1945: Archivist, War Production Board.

September 1946: Archivist, assistant unit head, Civilian Production Administration.

MARY E. LARSON, ASSOCIATE ARCHIVIST

History and background

Born July 26, 1916.

Education: Public schools, Carbondale, Ill.; bachelor of education (1940), Southern Illinois Normal University.

Experience and employment record

September 1935 to June 1938: Wheeler Library, Southern Illinois Normal University, part time while attending college.

September 1938 to April 1939: Teacher, rural school, Jackson County, Ill.

September 1939 to May 1940: Librarian (half-time), Lincoln School, Carbondale, Ill.

September 1940 to April 1941: Teacher, Dowell, Ill., public schools.

June 1942 to August 1943: Clerk, Sherwin-Williams Defense Corp., Carbondale, Ill.

August 1943 to June 1944: Mail, file, and records clerk WPB, Combined Production and Resources Board.

June 1944 to date: Archivist, WPB and CPA.

DANIEL K. FREUDENTHAL, ARCHIVIST, P-2

History and background

Born September 1, 1911, San Francisco, Calif.

Attended elementary school, Pacific Heights, San Francisco, Calif.; graduated 1925.

1929: Graduated Lowell High School, San Francisco, Calif.

Bachelor of arts in political science, University of California, Berkeley, Calif., 1934.

1934-36: Attended law school, Columbia University, majoring in law. Master of arts, in educational sociology, 1937.

1936-44: Teacher's certificate in social studies.

1942: Residence requirements for doctor of philosophy in educational sociology.

1942-44: Took courses in American University, Washington, D. C., in personnel administration and statistics.

Experience and employment record:

1940-41: Files supervisor in charge of reorganizations, National Refugee Service, New York, N. Y.

June 1942 to November 1942: Junior field checker, Potts & Callahan Construction Co., Arlington, Va.

November 1942 to September 1945: Administrative analyst (Office of War Utilities), War Production Board, Washington, D. C.

September 1945 to date: Archivist (Historical Records Section), War Production Board-Civilian Production Administration-Office of Temporary Control CPA.

Publications and writings

Historical Bibliography of the Office of War Utilities (about 160 pp.); Brief History, Administrative Branch, Office of War Utilities (10 pp.); Analysis of Administrative Branch Operations, OWU (10 pp.); other reports on administrative aspects of WPB.

OFFICE OF DIRECTOR, INDUSTRIAL STATISTICS DIVISION, BUREAU OF DEMOBILIZATION

KOINER, VIRGINIA A., ADMINISTRATIVE ASSISTANT

History and background

Born, 1907, Washington, D. C.

Brookland Elementary School.

Graduated from Central High School, 1926.

Secretarial course, Strayer Business College, 1926.

Elementary accounting, Strayer Business College, 1933 (night).

Department of Agriculture, Personnel Administration.

Experience and employment

1926-29: National Mortgage & Investment Corp., secretarial and general clerical.

1929-30 and 1931-33: Standard Collateral Shares Corp., secretarial and general clerical.

1933-39: Finance Office, United States Army, War Department, general clerical personnel and stenographic.

1939-42: Immigration and Naturalization Service, Department of Justice (Labor Department), clerical and administrative personnel.

1942 to present: War Production Board (CPA), administrative personnel work in Steel Division and Industrial Statistics Division.

STEINER, GEORGE A., ECONOMIST

History and background

Born, 1912, Norristown, Pa.

Eight years elementary school.

Four years high school.

Bachelor of science, Temple University.

Master of arts, University of Pennsylvania.

• Doctor of philosophy, University of Illinois.

Experience and employment

1934-37: University of Illinois, assistant in economics.

1937-42: Indiana University, assistant professor.

August 1941 to May 1942: Civil Service Commission, recruitment specialist.

May 1942 to July 1943: WPB, Washington, D. C. Research analyst, Division of Industrial Operations; research analyst, Office of Progress Determination; Chief of Tabulation Section, Office of Vice Chairman; Chief of Analysis and Reports Branch, Office of Prog. V. C.

July 1943 to February 1946: Military service.

February 1946 to present: WPB-CPA. Economist, Industrial Statistical Division, Industrial Research Branch; Associate Director, Industrial Statistical Division; Director, Industrial Statistical Division.

INDUSTRIAL STATISTICS BRANCH, INDUSTRIAL STATISTICS DIVISION, BUREAU OF DEMOBILIZATION

COLT, WILTON B., STATISTICIAN

History and background

Born, 1910, Indiana.

Eight years elementary school.

Four years high school.

College: Michigan State, bachelor of arts.

Experience and employment

1933-37: CWA, FERA, and WPA. Analysis and compilation of reports.

March to December 1937: United States Treasury Department. Compilation of tax reports.

December 1937 to 1942: Alcohol Tax Unit, Internal Revenue, supervision of Government interests at a distillery.

May 1942 to October 1943: WPB, Statistics Division, economic analyst and economist, Munitions Branch, Ships and Naval Ordnance.

October 1943 to November 1945: Military service.

November 1945 to present: WPB, Industrial Statistics Division, economist and statistician, Farm Machinery and Tools.

GILLIAM, HOMER F., ECONOMIC STATISTICIAN

History and background

Born 1899, Perry County, Ill.

Eight years elementary school.

Three years high school.

Two years college: St. Louis University, State Teachers College.

Experience and employment

September 1919 to May 1935: Sesser Schools, city superintendent of grade schools.

May 1932 to May 1935: Self employed, building, repairing, and remodeling homes.

May 1935 to July 1943: National Resources Planning Board, statistician.

July 1943 to February 1946: WPB, Statistics Division, Materials Branch, economic statistician, military requirement.

February 1946 to present: WPB, Industrial Statistics Division, economic statistician.

HOGG, ELEANOR W., STATISTICIAN

History and background

Born 1917, Washington, D. C.

Eight years elementary school.

Four years high school.

Four years college: George Washington University (bachelor of arts' degree in psychology and sociology).

Experience and employment

June 1935 to January 1936: Uline Ice Co., bookkeeping and pay roll.

October to December 1938: Investigation of public relief in Washington, D. C.; constructed and analyzed statistical tables.

August 1939 to April 1940: Treasury Department, Procurement Division, kept accounts of all expenditures for strategic materials.

April 1940 to April 1941: HOLC (statistical duties).

May 1941 to February 1942: WPB, Research and Statistics, statistical clerk, industrial and commodity research.

July 1942 to June 1943: WPB, Research and Statistics, statistician, survey standards, Office of Director.

August 1943 to June 1944: Statistician, Army Air Force.

November 1944 to April 1946: Statistician, naval district headquarters.

April 1946 to present: CPA, statistician, Industrial Statistics Division.

ALBERT H., HUNTINGTON, JR., ECONOMIC STATISTICIAN

History and background

Born 1913, Webster Groves, Mo.

Eight years elementary school.

Four years high school.

Six years college: Cornell University, economics, sociology; bachelor of arts, master of arts degrees, Columbia University; industrial statistician, Department of Agriculture.

Experience and employment

June 1936 to May 1937: Works Progress Administration, analysis and research.

May 1937 to September 1942: National Youth Administration, Office Direction of Resident Center, program and statistical work.

September 1942 to January 1945: WPB, Statistical Division, Munitions Branch, economist, records and reports.

January 1945 to January 1946: WPB, Bureau Program and Statistics Military Division Chief, Office of Quantity Reports.

January to June 1946: WPB, Industrial Statistics Division' Chief, Evaluation and Analysis Section.

June 1946 to present: WPB, Industrial Statistics Division, economic statistician, WPB Industrial Statistics.

ELEANOR KERR, ECONOMIC EDITOR

History and background

Born 1885, Brooklyn, N. Y.

Eight years elementary school.

Four years high school.

Four years college, Cornell University.

Experience and employment

September 1921 to December 1924: New York University, lecturer on statistics and finance (night).

April 1921 to August 1925: William R. Compton Co., manager statistical department.

September 1925 to March 1931, Potter & Co. Investments, manager statistical department.

July 1932 to July 1938: Proctor James & Co., account executive.

October 1943 to June 1945, economist, Bureau of Planning and Statistics, Statistics Division.

June 1945 to present, economic editor, WPB Industrial Statistical Branch, Industrial Statistical Division.

LOEW, SOLOMON B., ECONOMIST

History and background

Born, 1917, Austria (naturalized).

Eight years elementary school.

Four years high school.

Five years college: City College of New York, statistics, bachelor of business administration.

Experience and employment

July 1940 to July 1941: Bureau of the Census, general clerical and calculating.

July 1941 to June 1942: WPB, Research and Statistics, statistical clerk, Plant Expansion Section.

June 1942 to July 1943: WPB, Division of Civilian Supply, junior economist, Iron and Steel Procurement Section.

July to November 1943: WPB, durable goods and products economist.

November 1943 to January 1946: Military service.

January 1946 to present: CPA, Industry Statistics Division, economist (plant analyst).

MANTEL, NATHAN, ECONOMIST

History and background

Born, 1919, New York, N. Y.

Nine years elementary school.

Three years high school.

College: New York City College, bachelor of science; graduate department of agriculture, American University.

Experience and employment

July to August 1938: Hebrew orphan asylum, information clerk.

1938 to 1939: NYA, student aide.

June to July 1939: Department of sanitation, clerk.

August 1939 to January 1940: Security Exchange Commission, assistant messenger.

January to June 1940: General Land Office, Department of the Interior, statistical clerk.

July to November 1940: Government Printing Office, skilled laborer.

November 1940 to January 1943: WPB, Research and Statistics, statistical clerk and statistician.

January 1943 to January 1946: Military service.

January 1946 to present: WPB, Industrial Statistics, economist, plant data.

RENNERT, MURRAY P., ECONOMIC EDITOR

History and background

Born: 1918, New York, N. Y.

Eight years elementary school.

Four years high school.

Four years college, City College of New York; biological agriculture, Bachelor of Science degree.

Department of Agriculture graduate school, general statistician; 4 semester hours, agricultural statistics, 2 semester hours.

Experience and employment

July 1940 to June 1941: Bureau of the Census, Department of Commerce (clerk).

June to October 1941: Assistant statistical clerk, Bureau of Research and Statistics, military and civilian requirements.

October 1941 to February 1942: Statistical clerk, Bureau of Research and Statistics, military and civilian requirements, military requirements.

February to July 1942: Junior financial analyst, Statistics Division; requirements, military; requirements, Army.

July to December 1942: Junior economist, Statistical Division, municipal parking analyst.

December 1942 to February 1946: Military duty.

February to March 1946: Junior economist, Industrial Statistical Division, WPB Industrial Statistical Branch.

March to July 1946: Statistician, Industrial Statistics Division, WPB Industrial Statistics Branch.

July 1946 to present: Economic editor, Industrial Statistics Division, WPB Industrial Statistics Branch.

PIERCE, L. MARIE, ECONOMIST

History and background

Born, 1902, Enderlin, N. Dak.

Eight years elementary school.

Four years high school.

College of St. Catherine: Chemistry, Bachelor of arts degree, University of Minnesota; education, 5 months.

Experience and employment

August 1928 to June 1929: Office of Charles G. Bangert (stenographer).

October 1930 to January 1932: The Winter Haven Co., real estate (stenographer).

October 1933 to April 1939: The Bank of North Dakota, secretary to manager, credit department.

April 1939 to December 1940: Securities and Exchange Commission (stenographer).

December 1940 to March 1942: Office of Education (clerk-stenographer).

April to November 1942: WPB Office of Progress Reports (stenographer, Statistics Division).

November 1942 to March 1944 WPB, Bureau of Planning and Statistics (economist, miscellaneous minerals and ferroalloys).

March 1944 to February 1946: WPB, Bureau of Planning and Statistics (economist, Material and Production Division).

February 1946 to present: WPB, Industrial Statistics Division (economist, plant analysis).

RIFKIND, HANNAH S., ECONOMIST

History and background

Born, 1896, Russia (citizenship approved).

Eight years elementary school.

Four years high school.

Seven and one-half years college: Goucher College, bachelor of arts; United States Department of Agriculture; American University.

Experience and employment

December 1928 to June 1929: United States Bureau of Labor Statistics, statistical clerk.

June to July 1929: United States Children's Bureau, statistical clerk, Statistical Division.

September 1929 to January 1930: United States Bureau of Efficiency, statistical clerk.

February 1930 to June 1944: United States Children's Bureau, statistician, Division of Statistical Research.

June 1944 to January 1945: WPB, Office of War Utilities, Communication Division, program planning, statistician, communications.

January 1945 to February 1946: WPB, Bureau Program and Statistics, Military Division, economist, Office of Special Reports.

February 1946 to present: WPB Industrial Statistics Division, economist, industrial research and plant data.

SCHERMERHORN, LLOYD A., ECONOMIC EDITOR

History and background

Born, 1909, Cortland, N. Y.

Eight years elementary school.

Four years high school.

Six years college: University of Rochester, bachelor of arts degree; Clark University, master of arts degree.

Experience and employment

November 1932 to November 1935: Staub & Son, Inc., sell dry-cleaning service.

November 1935 to June 1936: Medina Collegiate Center (taught economics).

June 1936 to June 1940: Taylor Instrument Cos. (posting orders).

June 1940 to December 1941: Bureau of Census, assistant to statistician.

December 1941 to December 1942: Selective Service System (assistant to chief of section).

January to December 1943: Associate analyst of program, vice chairman.

December 1943 to March 1946: Military duty.

March to May 1946: Associate analyst, Division Budget Administration.

May 1946 to present: Economic editor, WPB (Industrial Statistics Branch) Industrial Statistics Division.

SHAFFER, JUANITA L., STATISTICIAN

History and background

Born, 1898, Sawyer, Minn.

Eight years elementary school.

Four years high school.

Nine years college, bachelor of science and master of science degrees: University of Richmond, University of Akron, University of Chicago, Ohio State.

Experience and employment

January 1922 to June 1924: Akron Board of Education, Akron, Ohio; high-school teacher.

September 1926 to May 1927: Charles Boyd, Camden Point, Mo. Dean of women, taught physics and chemistry, junior college.

October 1928 to May 1936: Ohio State University and WPA, Columbus, Ohio. Supervised statistical tabulation and graded papers of graduate students.

May 1936 to April 1939: Bureau of Home Economics, Washington, D. C. Hired, trained, and supervised 50 to 80 WPA clerks, coders, editors, preparing consumer purchase schedules, etc.

April 1939 to February 1943: Housewife and some work at Ohio State toward a doctor of philosophy degree.

February 1943 to present: WPB and CPA, Washington, D. C. Associate statistician, Statistics Division, Facility Utilization Section. Economist, chemicals and drugs, Statistician, Industrial Statistics division, chemicals and rubber.

SKILLING, CASSIE F., STATISTICIAN

History and background

Born 1896, Algona, Iowa.

Eight years elementary school.

Four years high school.

Four and one-half years college (bachelor of arts), University of Iowa.

Experience and employment

September 1926-June 1933: Board of education, Quimby, Iowa. High school principal and teacher of mathematics and economics.

February 1934-July 1935: Bureau of the Census, Washington, D. C., section chief.

August 1935-July 1937: Department of Justice, Washington, D. C., supervisor, editing section.

October 1937-September 1939: Bureau of Home Economics, Washington, D. C., supervisor and sponsors' representative, editing and coding schedules.

January 1940-September 1942: Bureau of the Census, Washington, D. C., assistant supervisor of a group which edited, coded, and classified.

October 1942 to present: WPB-CPA, Washington, D. C. Associate economic analyst, Construction Branch, New Facilities Section. Associate economics, public contracts. Statistician: (1) Assistant, Contract Termination Unit (1944), (2) Head, Contract Termination Unit (1945), (3) Industrial Statistics Division (1946).

STEPHENS, E. EDWARD, STATISTICIAN

History and background

Born, 1907, Phoenix, Canada.

Eight years elementary school.

Four years high school.

Nine years college: University of Washington, Seattle, Wash.; University of California; (bachelor of science), George Washington University; (bachelor of laws), Georgetown University.

Experience and employment

August 1934 to August 1935: United States Coast and Geodetic Survey (assistant scientific aide).

September 1935 to January 1936: Works Progress Administration (assistant statistical clerk).

September 1936 to October 1937: General Accounting Office (junior auditor).

October 1937 to June 1938: National Bituminous Coal Commission (assistant auditor).

July 1938 to June 1939: Farm Credit Administration (in Credit Union, representative).

June 1939 to March 1941: Department of the Interior, field (traveling) auditor.

March to November 1941: Seventh Quartermaster Battalion (second lieutenant).

December 1941 to July 1942: Research and statistics, Industry Committee (associate industrial analyst), WPB-CPA.

July 1942 to January 1946: Military furlough.

January to March 1946: Industrial Statistics Division, WPB, Industrial Statistics Branch (economic analyst).

March 1946 to February 1947: Industrial Statistics Division, WPB, Industrial Statistics Branch (statistician).

STRAHORN, MARGARET O., STATISTICIAN

History and background

Born, 1897, Phillips, Wis.

Eight years elementary school.

Four years high school.

Two years college: Valparaiso University, Indiana State College, American University.

Experience and employment

November 1939 to October 1943: Bureau of the Census, Washington, D. C. Assistant to statistician in procedures, 1941.

Group supervisor, processing projects for WPB in 1942.

Establishing procedures in the processing of WPB projects in 1943.

Analyzing statistical requirements of the operating divisions of WPB in 1943.

October 1943 to present: WPB and CPA, Washington, D. C. Statistician, Bureau of Planning and Statistics, Office of Survey Standards. Statistician, Industrial Statistics Division.

WOLFE, MAURICE F., ECONOMIST

History and background

Born, 1896, Watertown, N. Y.

Eight years elementary school.

Four years high school.

Civil engineering degree, Syracuse, N. Y.

Experience and employment

June to September, 1916: New York State Highway Department, Albany, N. Y. (civil service), office and field highway work.

June to September, 1917: New York Air Brake Co., Watertown, N. Y., inspected shells.

September 1917 to January 1919: Attending school, Syracuse, N. Y.

January 1919 to May 1927: Peoples' Department Store, Watertown, N. Y. Statistical work, business and managerial duties.

May 1927 to May 1929: N. Wolfe, Forest City, Pa. Statistical work, business and managerial duties.

1929-39: Partner in a mercantile business, Forest City, Pa.

1940-42: Unemployed.

May 1942 to present: WPB and CPA, Washington, D. C. Assistant clerk, Clerical Records Pool. Junior statistician, Statistics Division, military material requirements. Statistician, Bureau of Planning and Statistics, military requirements. Aircraft economist: (1) Bureau of Planning and Statistics, ordnance combat and motor vehicles; (2) Industrial Statistics Division, combat and motor vehicles.

PLANT DATA INTEGRATION BRANCH, INDUSTRIAL STATISTICS DIVISION, BUREAU OF DEMOBILIZATION

BERTHA BLAIR, ECONOMIST

History and background

Born, 1896, Duluth, Minn.

Eight years elementary school.

Four years high school.

Six years college: Macalester College, St. Paul; Bryn Mawr College, Bryn Mawr, Pa.; University of Pennsylvania, Philadelphia, Pa.

Experience and employment

December 1924 to August 1927: YWCA, Duluth, Minn., industrial secretary.

December 1929 to April 1936: Department of Labor, Women's Bureau, Washington, D. C., junior economist, research.

April 1936 to February 1942: United States Railroad Retirement Board, economist.

March to April 1942: Senate Small Business Committee, Washington, D. C., economist.

April to May 1942: Army Specialist Corps, Washington, D. C., economist (loaned by RRB).

June to September 1943: United States Railroad Retirement Board, Washington, D. C., economist-statistician, injury and disease study.

September 1943 to June 1944: National War Labor Board, Washington, D. C., economist, review and supervise preparation of memoranda on wage issues.

June 1944 to present: WPB-CPA, Washington, D. C., statistician, planning and statistics, facility utilization; economist, Military Division; economist, Industrial Statistics Division, plant data.

BLUMEN, ISADORE, ECONOMIST

History and background

Born; 1920, Newark, N. J.

Eight years elementary school.

Four years high school.

Four years college: University of Minnesota, bachelor of arts.

Experience and employment

May 1941 to January 1942: Office of Quartermaster General, statistical clerk.

January 1942 to February 1943: WPB, Bureau of Research and Statistics; economic analyst and statistician, Statistics Division.

February 1943 to February 1946: Military service.

February 1946 to present: WPB Industrial Statistics Division; statistician and economist, Plant Data Integration Branch.

CHAPIN, IRENE M., STATISTICIAN, CPA

History and background

Born, 1907, Hillsdale, Mich.

Eight years elementary school.

Four years high school.

Five years college: Michigan State College, economics, Bachelor of arts; University of Chicago, economics; Strayers Business College, typing and shorthand.

Ten years music (piano and theory, Lansing Conservatory of Music).

Experience and employment

September 1930 to May 1931: John Shillito Co. (Adjustments, Purchases).

May 1931 to January 1932: F. N. Arbaugh Co. (personnel manager).

January to September 1932: University of Chicago (fellowship in economics).

November 1933 to October 1934: Michigan Pardon and Parole Commission (data on paroles, pardons, etc.).

October 1934 to September 1936: Agricultural Adjustment Administration (junior clerk).

September 1936 to February 1939: Federal Deposit Insurance Corporation (typed confidential reports).

February 1939 to August 1940: United States Department of Commerce (assistant clerk).

September 1940 to March 1942: Research and Statistics Bureau, Statistical Contracts (assistant clerk).

March to June 1942: Statistics Division (statistical clerk).

June 1942 to January 1943: Statistics Division, Cont. Sup. (junior economist-statistician).

January to September 1943: Bureau of Planning and Statistics, Statistics Division (assistant economist-statistician).

September 1943 to March 1944: Industries and Facilities Branch, Supplies and Construction Section (assistant economist-statistician).

March 1944 to February 1945: Industries and Facilities Branch, Supplies and Construction Section (statistician).

February 1945 to March 1946: Plant Data Integration Branch, Industrial Statistics Division (statistician).

March 1946 to present: Plant Data Integration Branch, Industrial Statistics Division (statistician).

DAMUTH, DONALD R., ECONOMIST

History and background:

Born 1917, Baltimore, Md.

Eight years elementary school.

Four years high school.

College: University of Maryland, economics, bachelor of art; University of Baltimore, business law and accounting.

Experience and employment:

February 1939 to September 1941: Glenn L. Martin, mechanic.

June to November 1942: WPB, Division of Civilian Supplies, business analyst, Supplies and Requisitions, Import and Export Unit.

November 1942 to July 1943: WPB, Office of Civilian Supplies, Progress Branch economist, Statistical Division, Materials.

July 1943 to May 1944: WPB, Statistics Division, economist-statistician, Military Requisition, Army Aircraft.

May 1944 to June 1946: Military service.

June 1946 to present: WPB, Industrial Statistics Division, economist, Plant Data.

EHRENREICH, JOSEPH W., ECONOMIST

History and background

Born: 1920, New York, N. Y.

Eight years elementary school.

Four years high school.

Five years college: City College, New York, merchandising, bachelor of business administration; New York University, retailing.

Experience and employment

January to February 1941: Manhattan Brush Co., supervisor, accounting and production record.

February to October 1941: Stewart Linen Co., buyer and inspector of linen goods.

October 1941 to January 1942: Bloomingdale's Department Store, adjustment clerk.

January to June 1942: WPB Bureau Research and Statistics, statistical clerk, Office Commodity Research.

June 1942 to January 1943: WPB Office of Operations, economist, textiles, cloth, leather, statistics section.

January 1943 to September 1946: Military service.

September 1946 to present: WPB Industrial Statistics Division, economist, Plant Data Branch.

GROSSMAN, SAM, STATISTICIAN

History and background

Born: 1910, New York.

8 years elementary school.

4 years high school.

4 years college, City College of New York, accounting, economics.

Experience and employment

1932-34: National Business Digest (complete charge of books).

1935-36: Webster Electrical Co. (kept books under supervision of accountant).

1936: Railroad Retirement Board (stenographic).

1936-38: National research project (routine duties).

1938-39: United States Veterans' Administration (sort and tabulate statistical cards).

1939-42: Railroad Retirement Board (assistant supervisor of statistical clerks).

1942: Statistical Division and Commodity Research Bureau, Office Commodity Research (statistical clerk).

1942-43: Statistical Division, Office Progress Reports, Industrial Analyst Section, junior statistician.

1943-44: Office Progress Reports, assistant economic statistician.

1944-46: Bureau Progress and Staff General Statistician staff economist.

1946 to present: Industrial Statistical Division, Plant Data Integration, statistician.

HAAS, CHARLES F., ECONOMIST

History and background

Born: 1912, Swedesboro, N. J.

Eight years elementary school.

Four years high school.

University of Maryland.

Columbus University, Washington, D. C.

Experience and employment

1931-33: F. W. Woolworth Co., Washington, D. C., stockroom clerk.

September 1935 to September 1938: United States Post Office Department, Washington, D. C., clerk.

September 1938 to May 1941: Bureau of Census, Washington, D. C., assistant administrative officer.

July 1941 to April 1944: WPB, Washington, D. C., associate economic statistician, Research and Statistics; business analyst, Statistical Division; senior economist, Statistical Division.

April 1944 to November 1945: Military service.

November 1945 to present: Certified public accountant, Washington, D. C.; senior economist, Reconstruction Priorities; economist, Industrial Statistical Division, plant data.

ALBERT M. HERMIE, ECONOMIST

History and background

Born: 1916, Collis, Minn.

8 years elementary school.

4 years high school.

Bachelor of science, University of Illinois.

Master of science, George Washington University.

Experience and employment

September 1935 to February 1940: University of Illinois, charge of library collection of CCC publications.

September 1940 to June 1941: George Washington University, teaching statistics.

August 1941 to February 1943: WPB, Washington, D. C., junior statistician, research and statistics; military requirements; assistant economist analyst, Signal Corp. and Chemical Warfare Section; associate economist, military.

February 1943 to April 1946: Military service.

April 1946 to present: CPA, Washington, D. C., economist, Industrial Statistical Division, (1) munitions, (2) plant data.

A. ELIZABETH JOYCE, ECONOMIST

History and background

Born, 1910, Howard County, Md.
 Graduated, Clarksville Elementary School, 1924.
 Graduated, Clarksville High School, 1928.
 Graduated, Maryland State Teachers' College, Towson, Md., 1930.
 Graduated, University of Maryland, College Park, Md., 1934.
 University of Maryland Graduate School, 20 semester hours graduate credit, 1934.
 Course in business machines, Boyds Business School, Washington, D. C., 1935.

Experience and employment

September 1934 to June 1945: Teacher in Prince Georges County, Md.
 August 1945 to July 1939: Assistant statistical clerk, Statistics Division, Works Progress Administration, Washington, D. C.
 July 1939 to May 1941: Assistant statistical clerk, Finance and Statistics Division, National Youth Administration, Washington, D. C.
 May 1941 to April 1942: Senior statistical clerk, Finance and Statistics Division, NYA.
 April 1942 to July 1943: Assistant statistician, Finance and Statistics Division, NYA.
 August 1943 to present: WPB-CPA, Washington, D. C., associate economist (munitions), Statistics Division; economist, Bureau of Program and Statistics, Military Division; economist, Industrial Statistics, Plant Data Integration Branch.

LESOWITZ, NATHAN, ECONOMIST

History and background

Born, 1916, New York City.
 Eight years elementary school.
 Four years high school.
 Four to five years college, Brooklyn, history, bachelor of arts degree.

Experience and employment

June 1937 to April 1940: Vice president, Leswald Realty Corp.
 May 1940 to February 1941: Clerk and assistant secretary in chief, Bureau of Census Property Division.
 February to November 1941: Clerk, Census Bureau, Machine Tabulation Division, assistant clerk.
 December 1941 to September 1942: WPB, Contract Distribution Branch.
 September 1942 to September 1943: Junior Statistician, Statistical Material Requirements Section, Weight Unit.
 September to November 1943: Assistant Economic Statistician, Statistical Material, Military Army Aircraft.
 November 1943 to July 1946: Military duty.
 July to August 1946: Economist, plant data, Industrial Statistics Division.
 August 1946 to present: Economist, plant data, Industrial Statistics Division.

LEVIN, MAURICE M., ECONOMIST

History and background

Born, 1917, New Haven, Conn.
 Eight years elementary school.
 Four years high school.
 Five and one-half years college: Yale University, sociology, biology, and physics, bachelor of science; American University, applied statistics technician; Department of Agriculture Graduate School, sampling theory and practice.

Experience and employment

July 1940 to June 1942: Department of Commerce, assistant statistical clerk, census schedules.
 August 1942 to February 1943: Office of Price Administration, assistant statistical clerk, internal revenue tabulations.
 February 1943 to October 1943: Smaller War Plants Corporation, junior statistician.
 October 1943 to November 1944: Smaller War Plants Corporation, assistant statistician, analysis of data.

November 1944 to May 1946: Smaller War Plants Corporation, associate statistician, analysis and surveys of small business.

May 1946 to present: Civilian Production Administration, economist, Industrial Statistics Division, Plant Data Integration Branch.

M'CURDY, RICHARD S., ECONOMIST

History and background

Born, 1904, Fort Wayne, Ind.

Eight years elementary school.

Four years high school.

One year college, Anthony Wayne Institute.

Experience and employment

July 1922 to January 1926: S. F. Bowser & Co., Inc., clerical.

January 1926 to December 1929: City of Fort Wayne Street Department, office manager.

October 1930 to March 1932: District of Columbia Public Employment Service, placement clerk.

March 1932 to April 1937: Washington Board of Trade, information clerk.

April 1937 to August 1941: Federal Works Agency, statistical clerk.

August 1941 to June 1942: WPB Research and Statistics, junior financial analyst, supply contracts.

June 1942 to November 1943: WPB, Planning and Statistics, economist-statistician supply contracts, industry analysis.

November 1943 to April 1945: WPB Bureau of Planning and Statistics, statistician; Industrial and Facilities Branch, supply contracts.

April 1945 to present: WPB-CPA Bureau of Progress and Statistics, economist; Military Division and Industrial Statistics Division, plant data.

MARTIN, ROBERT B., ECONOMIST

History and background

Born, 1909, Malcolm, Iowa.

Eight years elementary school.

Four years high school.

Five months college, Washington and Jefferson, Washington, Pa.; George Washington University; Steubenville Business College.

Experience and employment

August 1935 to August 1937: Assistant senior supervisor, Works Progress Administration.

August 1937 to May 1938: Senior statistical clerk, Bureau of Labor Statistics, urban study of consumer purchases.

June 1938 to November 1938: Technical aide, Work Projects Administration, survey of youth in the labor market.

November 1938 to June 1939: Statistical clerk, Bureau of Labor Statistics, urban study of consumer purchases.

July 1939 to December 1939: Statistical assistant, Department of Justice.

February 1940 to March 1940: Calculating machine operator, American Youth Commission.

July 1940 to December 1941: Statistical clerk, Federal Reserve Board.

December 1941 to March 1942: Junior Industrial Analyst, Bureau of Research and Statistics, Industrial and Commercial Research Branch, Office of Commercial Research.

March 1942 to April 1942: Junior calculating machine operator, Statistics Division, Industrial and Commercial Research Branch.

April 1942 to May 1942: Junior industrial analyst, Statistics Division, Material Branch.

May 1942 to October 1942: Assistant statistician, Statistics Division, Material Branch, Req.

October 1942 to October 1945: Military duty.

October 1945 to February 1946: Assistant statistician, Program and Statistics Bureau, Material and Products Division.

February 1946 to present: Economist, plant data, Industrial Statistics Division.

MILLER, JOE H., ECONOMIST

History and background

Born 1909, Van Alstyne, Tex.

Eight years elementary school.

Four years high school.

Bachelor of science and master of science, Oklahoma Agricultural and Mechanical College, Murray State College.

Experience and employment

July 1930 to July 1934: Oklahoma Agricultural and Mechanical College, statistician.

July 1934 to October 1935: Farm Credit Administration, Washington, D. C., junior economic adviser.

October 1935 to June 1936: Resettlement Administration, assistant field superintendent.

June 1936 to September 1939: Division Taxation Research, Treasury Department, Washington, D. C., Director of Income Tax Research project.

September 1939 to October 1941: Division of Land Economy, Fort Worth, Tex., associate agricultural economist.

November 1941 to February 1944: WPB, Washington, D. C., business analyst, Division of Civilian Supply; senior business analyst, Division of Industrial Operation; senior economist, Office of Rubber Director.

February 1944 to March 1946: Military service.

March 1946 to present: CPA, Washington, D. C., economist, Rubber Division; economist, Industrial Statistics Division, Plant Data.

MILLER, SEYMOUR H., ECONOMIST

History and background

Born 1918, Chicago, Ill.

Nine years elementary school.

Three years high school.

Three and one-half years college, University of Chicago; economist bachelor of arts degree.

One-half year Chicago College of Commerce.

Experience and employment

June 1940 to September 1941: Assistant Section Chief, Bureau of Census, Commerce Department.

February 1942 to June 1942: Junior industrial economist, Bureau of Research and Statistics, Industrial and Commodity Research, Office Commodity Research.

June 1942 to December 1942: Assistant industrial economist, Statistical Division; Materials Branch Research and Analyst Section.

December 1942 to June 1946: Military duty.

June 1946 to August 1946: Economist, Industrial Statistics Division, Plant Data.

August 1946 to present: Economist, Industrial Statistics Division, Plant Data.

MORGAN, EVA A., ECONOMIST

History and background

Born, 1900, St. Marys, W. Va.

Eight years elementary school.

Four years high school.

Experience and employment

1919-23: B. L. Goodrich Rubber Co. (figured pay roll).

1941-42: Junior calculating machine operator, Research and Statistics Division, General Service Section.

1942: Statistical clerk, Statistical Division, Material Branch, Military Requirements Section.

1942-43: Junior industrial analyst, Statistics Division, Material Branch, Military Requirements Section.

1943-45: Assistant industrial analyst, Statistics Division, Material Branch.

1945 to present: Economist, Plant Data, Industrial Statistics Division.

REESE, BESS E., ECONOMIST

History and background

Born: 1899, Ashland, W. Va.

Eight years elementary school.

Four years high school, Strayers Business College.

Experience and employment

June 1930 to June 1932: Commerce Department, supervisor.

November 1937 to September 1938: Commerce Department, supervisor.

August 1940 to November 1942: Commerce Department, assistant supervisor clerk.

March 1942 to October 1943: Commerce Department, statistical clerk.

November 1943 to December 1944: Statistical clerk, Salvage Division, Office of Director.

December 1944 to July 1945: Economic statistician, Program and Statistics General Statistical Staff, Research.

July 1945 to March 1946: Statistical clerk, Program and Statistics Bureau Statistical Service Division, Service Branch.

March 1946 to December 1946: Economist, Plant Data, Industrial Statistics Division.

December 1946 to present: Economist, plant data, Industrial Statistics Division.

WALTER R. ROGERS, STATISTICIAN

History and background

Born, 1909, Somerville, N. J.

Eight years elementary school.

Four years high school, School of Commerce, New York University, bachelor of commercial science degree.

Graduate School of Business Administration, New York University, 5 years.

Experience and employment

June 1934 to April 1935: Leslie Banks & Co., New York, N. Y.

April 1935 to September 1940: Administration and Research Corp., New York City; business research and forecasting.

June 1941 to February 1942: American Cyanamid Co., Bound Brook, N. J.; analysis of sales, compilation of reports.

February to December 1942: WPB, associate business analyst, Bureau Research Statistics, economic statistician, statistical consultant, new facilities.

December 1942 to October 1945: Military service.

October 1945 to present: WPB-CPA economic statistician, Program and Statistics Division, facilities statistician, Industrial Statistics Division, Plant Data Integration Branch.

RUSSLER WILLIAM, ECONOMIST

History and background

Born, 1921, New York, N. Y.

Six years' elementary school, 5½ years' high school, 4 years' college, College of City of New York, bachelor of science economics.

Experience and employment

January to February 1942: Henry Cohen's office, research analyst, professional tax research.

April to December 1942: WPB, Statistics Division, junior economic analyst, Industrial Statistics Branch, rubber and rubber products.

February to December 1943: WPB, Statistics Bureau, statistician, Industrial and Facility Utilization.

December 1943 to October 1944: WPB, Planning and Statistics, statistician, Industrial and Facility Utilization, regular reports.

October 1944 to September 1946: Military service.

September 1946 to present: WPB, Industrial Statistics Division, economist, Plant Data.

NATHAN SCHEIN, ECONOMIST

History and background

Born, 1908, New York.

Eight years' elementary school, 4 years' high school, bachelor of science, City College, New York.

Experience and employment

October 1936 to December 1941: Security and Exchange Commission, statistical clerk.

January 1942 to present: WPB-CPA, Washington, D. C., junior economic analyst, Bureau of Research and Statistics; assistant industrial economic analyst, building materials; associate economist, Office of Industrial Operations, building materials; associate economist, Bureau of Planning and Statistics, military material requirements; economist, Bureau of Planning and Statistics, military material requirements; economist, Industrial Statistics Division, (1) industrial research, (2) plant data.

DENA R. SILVERMAN, STATISTICIAN

History and background

Born, 1912, Charleston, W. Va.

8 years' elementary school, 4 years' high school.

Experience and employment

September 1939 to May 1941: Pennsylvania Casualty Insurance Co. (transcription and dictation).

May 1941 to July 1942: Veterans' Administration (typing, reviewed insurances).

July to November 1942: Assistant clerk-stenographer, Statistics Division, Munitions, Ordnance Material.

November 1942 to March 1943: Assistant statistical clerk, Statistics Division, Munitions Branch, Munitions Data Section, Lend-Lease Unit.

March 1943 to February 1944: Statistical clerk, Bureau of Planning and Statistics, Statistics Division.

February 1944 to June 1945: Statistical clerk, Munitions Branch, Economic Analysis Section.

June 1945 to February 1946: Economic Statiscian, Program and Statistics Bureau, Military Division (off. dol. rep.).

February to September 1946: Economist, Industrial Research, Industrial Statistics Division.

September 1946 to present: Statistician, Plant Data, Industrial Statistics Division.

FRANCES SNYDER, ECONOMIC STATISTICIAN

History and background

Born, 1904, Pierecville, Kans.

Eight years elementary school, four years high school. College: George Washington University; Springfield Business College, about 12 months.

Experience and employment

February to December 1930: Clerk-typist, Federal Farm Board.

December 1930 to July 1932: Statistical clerk, Federal Farm Board.

September 1932 to September 1933: Clerk-typist, Internal Revenue.

September 1933 to November 1934: Statistical clerk, Farm Credit Administration.

November 1934 to March 1937: Statistical clerk, Treasury Department, Division of Research and Statistics.

March 1937 to April 1940: Statistical clerk, Treasury Department, Division of Research and Statistics.

April 1940 to August 1942: Statistical clerk, Treasury Department, space contractor.

August 1942 to January 1944: Senior statistical clerk, statistical material requirements.

January 1944 to March 1945: Statistician, Planning and Statistics Division, Material Branch.

March 1945 to March 1946: Economic Statistician, Plant Data, Industrial Statistics Division.

March 1946 to present: Economic Statistician, Plant Data, Industrial Statistics Division.

MALVERN C. TALBERT, ECONOMIST

History and background

Born, 1911, Washington, D. C.

Eight years' elementary school, 4 years' high school, 3 years' American Institute of Banking, Washington, D. C.

Experience and employment

June 1928 to October 1932: North Capital Savings Bank, paying teller.

October 1932 to February 1933: Ralph Oil Co., salesman.

March 1933 to March 1934: Riggs National Bank, bookkeeper.

March 1934 to December 1939: WPA, Washington, D. C., senior statistical clerk.

December 1939 to December 1941: Department of Justice, administrative assistant to the assistant director, Alien Registration Division.

December 1941 to November 1943: National headquarters for Selective Service, associate statistician, setting up and maintaining reporting and analysis program.

November 1943 to present: WPB-CPA, statistician, Resources Protection Division; economist, Program Controls Bureau, Resources Protection Board; economist, Industrial Statistics Division, Plant Data.

The CHAIRMAN. When did that project start?

Mr. NOVICK. That project was started almost at the beginning of WPB, late in 1942.

The CHAIRMAN. And when do you expect to finish it?

Mr. NOVICK. The project will be completed by items. There are several phases to the project, but the total project can be completed next year, in the fiscal year 1948. It cannot be completed this year.

The CHAIRMAN. You mean you have had a running history going along all the time and it cannot be completed this year?

Mr. NOVICK. Yes, sir; for two reasons. One is that the record itself does not become available immediately but becomes available some months and years after the actual actions are taken; the other is the factual documentation; interviewing and other analysis of the facts requires weeks and months of preparation. Furthermore, during the period of the war it was almost impossible to get adequate personnel of competence in the historical work. Ours is a professional history program; it is not an improvised one, staffed by transferring people from other functions to history. Those people are trained in archival activities, historical activities, and similar types of professional analysis.

FIELD ORGANIZATION AND ACTIVITIES

Mr. WIGGLESWORTH. How are you set up in the field, Mr. Houston?

Mr. HOUSTON. Our field activities are confined to three things. The largest field segment is engaged in compliance. On the construction order we have our next largest segment of employees. Perhaps it might be a good thing to give you some figures here, even though they are in this other table.

Mr. WIGGLESWORTH. I see you have set down the number in those tables you put in the record.

Mr. HOUSTON. Yes; but those other activities are all production.

Mr. WIGGLESWORTH. But how are you set up? Do you have field offices all over the country?

Mr. HOUSTON. We have a total of 71 district construction offices—10 regional construction offices, and paralleling compliance offices. In some places, the compliance people and the construction people are housed adjacent to each other, but they are two separate functions and are administered by different bureaus of the Administration.

Mr. WIGGLESWORTH. That is, you have 81 offices in the field?

Mr. HOUSTON. Yes; that is the correct number.

Mr. WIGGLESWORTH. And you are carrying in those offices 1,569 persons at the present time?

Mr. HOUSTON. That is right.

Mr. WIGGLESWORTH. That means your offices average around 20 people per office?

Mr. HOUSTON. That is about right.

TRAVEL EXPENSES

Mr. WIGGLESWORTH. I notice in your table you have given us, called "Rescission estimate, fiscal year 1947. Obligations by object of expenditure," if I read this right, that you expect to spend almost \$1,000,000 in travel during this fiscal year—around \$972,000 plus; is that right?

Mr. HOUSTON. That is correct.

Mr. WIGGLESWORTH. That is over \$80,000 a month for travel, in addition to these 80 offices you have in the field, although your activities are declining.

Mr. HOUSTON. Unfortunately, the declining activities are not in the field where travel expense is involved. I mean it is not in the area where our functions are declining. It is not entirely but almost entirely in the field. You see, we have the compliance offices, but the men from those offices work out through the surrounding territory and there is a considerable amount of travel expense involved.

Also, in connection with our construction activities, we have regional offices and there is a considerable amount of traveling between the regional offices and the district offices under them.

Eighty percent of our total expenditure for traveling will be in the field; that is, by our field organization.

Mr. WIGGLESWORTH. It looks to me like that is a tremendous item of expense on travel.

Mr. HOUSTON. When you consider the number of compliance people we have to cover the whole United States is relatively small, I think you begin to get some idea of why it is so high.

Mr. WIGGLESWORTH. They would feel uneasy if they were not traveling, I suspect.

Mr. HOUSTON. I am afraid we would not get very good compliance if we did not keep them traveling.

SPECIAL PROJECTS

Mr. WIGGLESWORTH. What is that item there of "Special projects," in which you want almost \$400,000? What are those special projects?

Mr. HOUSTON. We pay to the Department of Agriculture, Forest Service, a large sum of money to collect statistical data and to render consultant services on lumber and lumber products. This particular project will be terminated March 31, 1947, and I think the money has been—

Mr. WIGGLESWORTH. I see that is mostly gone, anyway.

Mr. HOUSTON. Yes; it will be terminated at the end of this quarter.

We also pay to the Department of the Interior, Bureau of Mines, a fee for the tabulation of statistical data on the following nonferrous metals: Lead and tin scrap, which is a monthly survey of consumers; copper scrap, which is also a monthly survey of consumers; zinc scrap, which is a monthly report on the consumption and stocks; nonferrous scrap-metal dealers, which is a monthly survey of stocks and shipments. Also the survey covers the consumption of antimony, cadmium, copper, zinc, and iron and steel scrap.

Also in the Bureau of Foreign and Domestic Commerce, Department of Commerce, we receive from them a tabulation and certain statistical data on construction materials in connection with the current building program.

Then there are smaller ones here. We have a contract with National Archives for editing and indexing CPA orders and regulations. We have another agreement with the Federal Works Agency on special personnel investigations; also, with the Office of Scientific Research and Development in connection with handling selective-service certifications; and we paid a small fee to the Social Security Administration in connection with a listing of non-metal-working plants, which will comprise a sample data survey.

Mr. WIGGLESWORTH. What is that historical job you spoke about, Mr. Houston, going to look like when it is done? Do you have any idea of the size of it?

Mr. HOUSTON. Yes. I think Mr. Novick can give you a pretty complete idea of what it will be.

Mr. NOVICK. There will be three major volumes of history, Industrial Mobilization for War. The first covering the major policy activities of the War Production Board, will be approximately an 800-page volume of the normal size, and has already gone to print. The second volume, of about comparable size, will cover various materials and production programs of the War Production Board and CPA. The third volume, very much smaller in size, will cover the policy activities of CPA.

There have been published already approximately 23 monographs of this size [indicating], which cover various subjects. For example, this one for the Facilities and Construction Program of the War Production Board and Predecessor Agencies does not include the CPA.

Mr. WIGGLESWORTH. How many volumes of those will there be?

Mr. NOVICK. There will be approximately 60 studies of this size [exhibiting].

Mr. WIGGLESWORTH. I thought you said three volumes.

Mr. NOVICK. No; three major volumes of 800 or 1,000 pages each.

Mr. WIGGLESWORTH. What in addition to that?

Mr. NOVICK. There will be approximately 60 monographs on specialized activities. Also there already has been issued five volumes of minutes.

Mr. WIGGLESWORTH. Is that over and above the monographs.

Mr. NOVICK. That is right.

Mr. WIGGLESWORTH. Three major volumes, 60 monographs, and five volumes of minutes?

Mr. NOVICK. Yes.

Mr. WIGGLESWORTH. How big are those?

Mr. NOVICK. The minutes vary with the committee. For example, the War Production Board runs about 400 pages; the Supply, Priorities and Allocation Board is smaller; the Planning Committee, which lasted only a relatively short time, is not much over 150 pages.

Mr. WIGGLESWORTH. That is all a part of this historical job and that is the complete picture?

Mr. NOVICK. It is not only a historical job; it is a records job as well. For example, WPB, CPA, and its predecessor will have accumulated something over 30 miles of records. Those 30 miles of

records would require something over an acre and a half of floor space to house if given concrete fireproof construction. Recognizing the burden as one of considerable size and also that the record would be no more manageable than that left behind from the previous World War, a program was undertaken which looks forward to the ultimate reduction of that 30 miles, or 150,000 linear feet, to about 1,500 feet of carefully screened and classified documents which will be placed in The National Archives.

Mr. WIGGLESWORTH. And probably will be microfilmed.

Mr. NOVICK. The project does not call for microfilming in addition.

Mr. WIGGLESWORTH. How much of this work is done at this time?

Mr. NOVICK. In the actual analysis of the records, a little more than one-third is done at this time; approximately a little more than one-half of it will be completed by June 30. On the actual writing of the historical volumes, volume 1 has already gone to the printer, a 700- or 800-page volume; volume 2 we hope to send to the printer by the 30th of June of this year; volume 3, of course, cannot be actually put into work until CPA terminates which, presumably, will be some time next fiscal year. As I said, 23 of the monographs are already out and approximately 36 more are contemplated and are in various stages of preparation. Those will, in general, be done in about 1 year.

Mr. WIGGLESWORTH. Your minutes are already done, I suppose?

Mr. NOVICK. All we intend to publish. They are already released.

Mr. WIGGLESWORTH. Well, you really have half of your work done, have you not?

Mr. NOVICK. I would say of the total, over half is done; but the remaining half is still a very sizable job.

Mr. WIGGLESWORTH. How many copies of those things do you contemplate?

Mr. NOVICK. As you know, the law requires that we provide the repository libraries with approximately 200 copies. In addition, university and State libraries and others not on the repository list require an additional 300. And varying with the nature of the subject matter, we issue from 500 to 2,000 copies which may be of interest to Congress, other Government agencies, and research people in general.

Mr. WIGGLESWORTH. That is all.

PAYMENT OF SUBSIDIES SUBSEQUENT TO PRICE DECONTROL

Mr. ENGEL. I was interested in your payment of subsidies after price control went off. I was under the impression a fair price was fixed for the sale of a commodity and the subsidy was to bring the high-cost producer down to the level of that price. Is not that right?

Mr. HOUSTON. That is the general principle that was followed; yes.

Mr. ENGEL. In view of that, how can you justify the payment of a subsidy when you are in a seller's market and there is no price control?

Mr. HOUSTON. As I say, each one of these plans has a little different problem in connection with it and I think the best thing for us to do, in order for you to have a better record than I could probably give you by trying to summarize all of these plans from memory, is to let us, in connection with the submission of this data which the chairman has requested, show you why, after an examination of the plan, it has been

felt that benefits would be derived by continuing it, rather than discontinuing it.

Mr. ENGEL. And you are still paying subsidies along those lines?

REASON FOR PARTICIPATION OF CPA IN HOUSING SUBSIDY OPERATIONS

Mr. HOUSTON. Yes; on some of those plans. I think it should be made clear here that these plans are the Housing Expediter's plans and our participation in them is furnishing the staff for carrying those out.

Mr. ENGEL. Nevertheless, you are the ones to determine whether or not a subsidy is to be paid, are you not?

Mr. HOUSTON. No; the Housing Expediter makes the final determination on whether a subsidy is to be paid.

Mr. ENGEL. And then you just automatically pay it?

Mr. HOUSTON. The Reconstruction Finance Corporation pays it. We participate in it by furnishing the staff for the actual operation of the plan; we examine the applications—

Mr. ENGEL. Just why are you needed in the thing at all? If the Housing Expediter determines whether or not the subsidy is to be paid and the RFC pays it, just why should you participate at all? It seems to me like a fifth leg, or something.

Mr. HOUSTON. We participate in it primarily because at the time the Housing Expediter's office was set up we already had industry divisions with staffs which were thoroughly familiar with the industry and which could handle this kind of a job much better than they would be able to by trying to bring in a whole lot of new people and breaking them in and setting up really what would amount to a duplication of many of the things which we were already doing.

COMMUNICATION SERVICES

Mr. ENGEL. In Communications, you have \$667,172 for the fiscal year 1947: of just what does that consist—telegraph and telephone?

Mr. HOUSTON. Yes; that is telegraph and telephone.

Mr. NOVICK. Part of that is incurred in the moving expense from Social Security to the temporary buildings. We will have to pay an additional expense for moving activities.

Mr. ENGEL. Are you charging that to Communications?

Mr. HOUSTON. Yes; there will be an additional expense for Communications.

Mr. ENGEL. I notice for every \$9 of travel you have approximately \$6 of communication.

Mr. NOVICK. There is no relationship.

Mr. ENGEL. Of course, there is no relationship, except that seems to be a comparison that you do not find very often, and that "for every \$9 of travel there is \$6 of communication" does not seem to make sense.

Mr. HOUSTON. Of course, another thing which makes our communication expense possibly higher than some other Government agencies is that we have been constantly contacting and trying to handle very large areas of industry with a very small number of people. This inevitably means that, instead of sending a man out in the field to do a job, we very often use the telephone to do it.

ADVANCE TO PUBLIC BUILDINGS ADMINISTRATION FOR RENT AND
COMMUNICATION SERVICES

Mr. ENGEL. I notice your expenditures for the first 6 months of this fiscal year, in the third column, are \$323,000, or approximately \$54,000 a month, and, in the next quarter, you jumped up to approximately \$80,000 a month for the third quarter of the year.

Mr. HOUSTON. That is because of the advance payment which we made to the Public Buildings Administration.

Mr. ENGEL. For what?

Mr. HARRISON. For rent and communications services. We made an advance to the Public Buildings Administration for communications, rent, and utility services. All of our rental contracts are handled by them and they make payment of those and then submit bills to us. They have no funds with which to pay those bills when presented by the vendor, so that we have advanced funds to them. Then, as the monthly bills come through, we make payment to them.

The advanced funds will not be returned until after the end of the fiscal year.

Mr. ENGEL. But here for 5 months ending November 30, 1946, you spent \$269,000 and then for the first 3 months of this year, one of which has expired, you are going to spend \$234,000. That is \$80,000 a month—and you are contracting! That cannot be justified by “advancing,” because you are paying \$30,000 a month more for communications than you did on an average for the prior 6 months.

Mr. HARRISON. \$85,000 of the amount shown for the third quarter represents an advance that was made to the Public Buildings Administration.

Mr. HOUSTON. And which will stretch out over a period of time.

Mr. ENGEL. Over how long a period will that stretch out?

Mr. HARRISON. That is an amount to cover the bills as they currently receive them. After the end of the fiscal year, that advance will be returned to us.

Mr. HOUSTON. It will depend on what our bills amount to; but, on our present estimates, this amount will be sufficient for that purpose. How much will it take to cover us beyond June 30?

Mr. HARRISON. The amount shown here is just for the period to June 30, but the money advanced to them will not be returned to us until after the end of the fiscal year. It results in what might be called a double obligation for the expenditure.

Mr. ENGEL. Just how much of that \$234,000 did you say had been advanced?

Mr. HARRISON. \$85,000.

Mr. ENGEL. That would leave approximately \$150,000 for the 3 months' period, or \$50,000 a month, which is about what you were running prior to the first of the year.

Mr. HOUSTON. That is right and included in that is an estimate for moving, which will occur in this quarter, Mr. Engel. That is in this first quarter of 1947.

TRAVEL EXPENSES

Mr. ENGEL. I am not satisfied with the travel; I think the travel is terribly high. Your travel is almost one-fourteenth of what your total pay roll for personal services is.

Mr. HOUSTON. Our Compliance people are traveling approximately 75 percent of their time. That is the reason for it.

Mr. ENGEL. That is all, Mr. Chairman.

PERSONNEL IN HISTORICAL WORK

Mr. STEFAN. Mr. Houston, I cannot find in your break-down of the rescission estimate, in your prepared statement which you are placing in the record, the item for this Historical Division. Where will we find that?

Mr. HOUSTON. That will come under the Bureau of Demobilization. There are two items.

Mr. STEFAN. Where are they?

Mr. HOUSTON. The Policy Analysis and Records Branch.

Mr. STEFAN. Oh, yes; that is the first item for the Office of Director?

Mr. HOUSTON. That is right.

Mr. STEFAN. That is 119 people.

Mr. HOUSTON. Yes.

Mr. STEFAN. And then where else?

Mr. HOUSTON. The Industrial Statistics Division, which is the last one in that list.

Mr. STEFAN. That makes a total of 237 people?

Mr. HOUSTON. Yes.

Mr. STEFAN. Do these 119 and 118 all do this historical work?

Mr. HOUSTON. Yes; they are engaged on it full time.

Mr. STEFAN. Are they all in the District, or out in the field?

Mr. HOUSTON. No; they are all here.

REQUIREMENTS FOR FIELD SERVICES ON CONSTRUCTION AND COMPLIANCE

Mr. STEFAN. Now, turning over to the next page, "Field services on construction," I cannot see any rescission in that. You have 688 on April 1 and you estimate 688 at the end of this fiscal year.

Mr. HOUSTON. No; there has not been a rescission in that, because—

Mr. STEFAN. And no rescission in the compliance?

Mr. HOUSTON. That is right.

Mr. STEFAN. Making your total 1,457 with no rescission and no decrease in the number of employees. What class of employees are they?

Mr. HOUSTON. They are divided into two groups: the people who administer the construction limitation order and the compliance investigators.

Mr. STEFAN. What proportion of those 1,457 are in the upper brackets?

Mr. HOUSTON. I do not have the exact figures here. I can give you a break-down on that.

Mr. STEFAN. Can you supply that for the record?

Mr. HOUSTON. Yes; I can.

(The statement referred to is as follows:)

Distribution of field personnel by grade

	Grade CAF-9 and under	Over grade CAF-9	Total
Construction staff.....	354	334	688
Compliance staff.....	510	259	769
Total.....	864	593	1,457

Mr. STEFAN. In compliance, Mr. Houston, how many lawyers do you have employed?

Mr. HOUSTON. There are no lawyers in the field compliance staff. However, we do have in the field a legal staff which is attached directly to the office of the general counsel and their work is primarily in connection with the compliance cases.

VIOLATIONS OF HOUSING ORDERS

Mr. STEFAN. Do you have many violations of compliance?

Mr. HOUSTON. Yes. We investigate approximately 7,000 cases a month of alleged violations of our orders in connection with housing.

Mr. STEFAN. What is the final disposition of them?

Mr. HOUSTON. We have a series of steps open to us. For example, if we find there is a violation of the construction order, we issue a warning; if the violation continues, we issue a temporary stop construction order; if that does not stop the violation, we issue a formal charge and hold hearings before a compliance commissioner, and if the violation is proven, we issue a formal suspension order. Most of the cases are disposed of through these administrative proceedings, but when these administrative actions are defied, we go to the Federal courts for injunctive relief.

Mr. STEFAN. Do you draw upon the Department of Justice for any assistance?

Mr. HOUSTON. If he stops, no. If he goes on in defiance of that order, we prepare the case for injunction suit and turn it over to the Justice Department. Similarly, if it looks like a criminal case, we prepare the case and turn it over to the Department of Justice.

Mr. STEFAN. Have you had many of those cases?

Mr. HOUSTON. In December we sent 10 cases to the Department of Justice.

Mr. STEFAN. Have you any record of the fines assessed and the collections made?

Mr. HOUSTON. Yes; I think we have that.

Mr. NOVICK. We can give you some illustrations. In one case in the United States District Court of New York about 2 years ago, a Black Market Section was established in the Compliance Division for handling criminal cases involving the diversion of critical materials, principally in the textile field. As a result of the activities of this section, many illegal operations of large scope were uncovered. Where information was completed, such cases were referred to the Department of Justice for criminal action and in some other cases where it

appeared that investigation would be too prolonged, evidence was turned over to the FBI for completion. Some of these cases referred by us to the Department of Justice have recently come to trial.

The Ineonta Export Co., Richard Rothenberg and Harry Kaye, were indicted for falsely extending preference ratings for the purchase of several hundred thousands of yards of textiles. The United States district court sentenced Rothenberg to 1 year imprisonment, Kaye to 6 months' imprisonment, and fined Rothenberg, Kaye, and the corporation each \$10,000 or a total of \$30,000. Bushwick Mills, Inc., and Samuel Margolin, its president, were indicted for diverting cloth obtained by ratings for use on Army and Navy contracts to black-market channels. The amount of textiles involved was substantial and the United States district court fined the corporation and Margolin jointly a total of \$280,000.

Mr. STEFAN. You have, of course, a record of the approximate number of criminal cases turned over to the Department of Justice?

Mr. HOUSTON. Yes; we have a monthly record of that.

Mr. STEFAN. Will you furnish for the record the number, and the approximate fines assessed?

Mr. HOUSTON. Yes.

(The information requested is as follows:)

*Report on compliance violations referred to Department of Justice for the period
Nov. 1, 1945, to Jan. 31, 1947*

Cases on hand in Department of Justice Oct. 31, 1945.....	151
Cases referred to Department of Justice Nov. 1, 1945 to Jan. 31, 1947.....	119
Total.....	270
Results obtained:	
Fines imposed.....	92
Permanent injunctions.....	6
Temporary injunctions.....	17
Cases returned by Department of Justice.....	43
Total.....	158

*Results obtained in criminal proceedings and injunction suits during the period
Nov. 1, 1945, to Jan. 31, 1947*

Date	Name	Order under which violation occurred	Fines and penalties
BOSTON REGION			
Nov. 15, 1945.....	Cafe Midway, Inc.....	L-41.....	\$1,000
Nov. 23, 1945.....	Liggett Drug Co., Inc.....	L-41.....	5,000
	Norman L. Vermilya.....	L-41.....	1,000
	Mr. Williams.....	L-41.....	1,000
Dec. 27, 1945.....	Hingeco Vanities, Inc.....	M-199.....	31,000
Jan. 8, 1946.....	Angelo DiMaria.....	M-199.....	15,000
Apr. 22, 1946.....	Ecklin Mfg. Co.....	L-27, PR-1 and 3.....	250
	R. L. Bradford.....	L-27, PR-1 and 3.....	500
Apr. 26, 1946.....	Pleadilly Restaurants of Boston.....	L-41.....	5,000
May 20, 1946.....	Moses H. Mitchess doing business as Slipco.....	PR-3.....	10,000
June 25, 1946.....	Durable Belt & Novelty Co., Inc.....	PR-3.....	2,500
	Leo Berkowitz.....	PR-3.....	4,000
Nov. 1, 1946.....	Arterraft Jewelers.....	M-43.....	450
Nov. 1, 1946.....	Rainbow Jewelry, Inc., Joseph Migliori.....	M-43.....	4,123
	Daniel A. Scullian.....	M-43.....	4,123
Nov. 12, 1946.....	S. S. Eisenberg.....	L-41.....	500
Dec. 11, 1946.....	Market Forge Co.....	L-41 and CMP-5.....	7,500
Dec. 11, 1946.....	Beacon Smelting Co.....	M-1-d, M-43, PR-1 and 3.....	1,500

¹ Four months imprisonment.

*Results obtained in eriminal proceedings and injuncion suits during the period
Nov. 1, 1945, to Jan. 31, 1947—Continued*

Date	Name	Order under which violation occurred	Fines and penalties
NEW YORK REGION			
Nov. 8, 1945.....	Abraham Cohen.....	CMP-1.....	\$1,600
Jan. 3, 1946.....	Cosmos Footwear Corp.....	PR-1.....	3,000
Mar. 22, 1946.....	Beacon Auto Stores.....	PR-1.....	² 7,500
Mar. 29, 1946.....	Abco Realty Corp.....	L-5-d.....	500
	Fred P. Tosch.....	L-5-d.....	500
Apr. 18, 1946.....	Elade Realty Corp.....	P-55.....	17,500
Aug. 27, 1946.....	Jack Klein.....	PR-3.....	³ 18,000
Nov. 20, 1946.....	Ineonta Export Co., Inc.....	PR-1 and 3.....	10,000
	Richard Rothenberg.....	PR-1 and 3.....	⁴ 10,000
	Harry Kaye.....	PR-1 and 3.....	⁵ 10,000
Nov. 12, 1946.....	Rocco J. Palmer.....	VHP-1.....	200
Dec. 10, 1946.....	Bushwick Mills, Inc. (Sam Margolin).....	PR-1 and 3.....	⁶ 280,000
	Alfred Berger.....	PR-1 and 3.....	³ 10,000
Jan. 2, 1947.....	Barney Schlags, doing business as Mapleton Supply Co.....	M-328.....	⁵ 12,000
Jan. 14, 1947.....	New Jersey Photographic & Sporting Goods.....	PR-3.....	10,000
PHILADELPHIA REGION			
Dec. 4, 1945.....	Norman P. Ninneman.....	P-55.....	1,000
Do.....	Sam Spurrier & J. M. Kline.....	L-38.....	400
Jan. 7, 1946.....	United States Automotive Products Co.: Charles J. Epstein.....	M-126.....	750
	Samuel A. Berger.....	M-126.....	750
Jan. 22, 1946.....	Benjamin Bobroff.....	PR-3.....	800
	Edward Gross.....	PR-3.....	500
Feb. 18, 1946.....	L. Behrman.....	L-41.....	500
Mar. 18, 1946.....	Harry E. Evans.....	L-41 and C-218.....	⁷ 750
June 21, 1946.....	New Deal Wrecking Co., Inc.....	PR-3.....	1,050
ATLANTA REGION			
Dec. 6, 1945.....	Lois Espada.....	L-41.....	⁸ 150
	Luis Sugranes.....	L-41.....	⁸ 150
Dec. 14, 1945.....	Nelson E. Ward.....	L-41.....	100
Mar. 15, 1946.....	Frank Schenek.....	L-41.....	250
Apr. 16, 1946.....	Needham R. Roberts.....	L-41.....	500
Apr. 5, 1946.....	Garden of Allah.....	L-41.....	⁹ 250
Apr. 30, 1946.....	Southern Butane Gas Co.....	L-86.....	2,000
	Frank Bullard.....	L-86.....	500
Dec. 3, 1946.....	Harry T. Fritts.....	VHP-1.....	(¹⁰)
CLEVELAND REGION			
Nov. 23, 1945.....	Weirton Steel Co.....	PR-3 and L-41.....	148,000
Jan. 26, 1946.....	The Weatherhead Co.....	L-41 and CMP-5.....	50,000
Mar. 8, 1946.....	Boyd Wilson.....	PR-3 and L-41.....	⁹ 1,500
Mar. 9, 1946.....	Holland Furnace Co.....	L-79.....	7,500
	William Boyd.....	L-79.....	1,000
Nov. 1, 1945.....	Newman Wrecking & Salvage Co.....	L-41.....	3,000
CHICAGO REGION			
Nov. 1, 1945.....	Midwestern Steel Products.....	M-21-b and PR-3.....	15,000
Nov. 28, 1945.....	Wakeford Hardware Co., Inc.....	PR-3 and M-375.....	1,000
Dec. 5, 1945.....	Edward J. Easterly.....	L-41.....	500
Jan. 14, 1946.....	Elsworth H. Clark.....	L-41.....	³ 7,500
Jan. 31, 1946.....	Fred Wittenberg, Jr.....	L-41.....	50
May 28, 1946.....	Latex Glove Manufacturing Co.....	PR-3 and M-375.....	1,000
Oct. 1, 1946.....	Fort Dearborn Electrical Sales Co.....	L-65 and PR-3.....	2,100
Oct. 11, 1946.....	John Kristics.....	L-41.....	³ 10,000
	Brean Greer.....	L-41.....	20,000
Oct. 18, 1946.....	Ace Novelty Co.....	M-15-h and R-1.....	1,000
Nov. 8, 1946.....	Harnischfeger Corp.....	L-74.....	20,000
Nov. 18, 1946.....	W. M. Miller & Co., Inc.....	M-43.....	4,000

² Three years probation.

³ One year probation.

⁴ One year imprisonment.

⁵ Six months' imprisonment.

⁶ Fifty-five days' imprisonment.

⁷ 18 months probation.

⁸ 30 days probation.

⁹ 2 years probation.

¹⁰ Injunction.

*Results obtained in criminal proceedings and injunction suits during the period
Nov. 1, 1945, to Jan. 31, 1947—Continued*

Date	Name	Order under which violation occurred	Fines and penalties
KANSAS CITY REGION			
Nov. 1, 1945.....	Lambert Terrace Realty Co.....	PR-1 and L-5d.....	\$240
	Julius Van Raalte.....	PR-1 and L-5d.....	40
Dec. 20, 1945.....	Frank J. Wright.....	L-41.....	1,000
Dec. 22, 1945.....	Berklay Stationery Co. (Berne Klayman).....	PR-3.....	⁹ 10,000
	Allen Gerbers.....	PR-3.....	⁹ 10,000
Jan. 23, 1947.....	Butane Gas & Appliance Co.....	L-86.....	303
DALLAS REGION			
Nov. 16, 1945.....	Waco Butane Gas Co.....	L-86.....	500
Nov. 28, 1945.....	Byron V. Christie.....	L-41.....	1,000
Nov. 26, 1945.....	C. L. Hudgens Hardware Co.....	L-86.....	200
SAN FRANCISCO REGION			
Dec. 11, 1945.....	W. J. Yuvan.....	L-41.....	1,000
Dec. 18, 1945.....	Ross Lumber Co.....	L-41.....	3,800
Jan. 11, 1946.....	Ben Horton.....	L-41.....	500
Jan. 14, 1946.....	Fred L. Gift.....	L-86.....	³ 1,000
Jan. 28, 1946.....	Toyad Corp.....	L-335 and PR-1.....	5,000
Dec. 5, 1946.....	St. Claire Corp.....	VHP-1.....	6,000
	Chester Fippin.....	VHP-1.....	15,000
Dec. 17, 1946.....	C. E. Salerno & Claude Jorgenson.....	VHP-1.....	(¹⁰)
Nov. 9, 1945.....	Alina Wilson.....	L-86.....	1,100
DETROIT REGION			
Oct. 3, 1946.....	Odes Fleetwood.....	VHP-1.....	3,000
Dec. 18, 1946.....	Harold Hanchett.....	VHP-1.....	1,000
	Fred Sharboneau.....	VHP-1.....	500
Dec. 24, 1946.....	Meyer Korchak.....	VHP-1.....	500
MINNEAPOLIS REGION			
Nov. 21, 1945.....	Franklin Distilled Products Co.....	L-103b & L-317.....	2,500
SEATTLE REGION			
Apr. 1, 1946.....	S. M. Birchler.....	L-41.....	¹¹ 750
Apr. 2, 1946.....	James H. March.....	L-41.....	¹¹ 750
Aug. 27, 1946.....	E. W. Johnson & D. L. Spricker.....	VHP-1.....	(¹⁰)
Oct. 9, 1946.....	West Yellowstone Hotel Co.....	VHP-1.....	(¹⁰)
Nov. 1, 1946.....	William Voise.....	VHP-1.....	(¹⁰)
Jan. 9, 1947.....	Fred Wright Sr. & Jr.....	VHP-1.....	(¹⁰)

³ 1 year probation.

⁹ 2 years probation.

¹⁰ Injunction.

¹¹ 6 months imprisonment suspended.

Mr. STEFAN. Do you reimburse the Department of Justice for any services rendered your agency?

Mr. HOUSTON. No; we do not.

REIMBURSEMENTS TO OTHER AGENCIES

Mr. STEFAN. You indicate that you draw upon various departments of the Government for assistance and you have reimbursed them for that assistance. You mentioned the Public Buildings Administration, Social Security, Office of Scientific Development, FWA, Archives, Commerce, Interior, and Agriculture. I wonder if you could not furnish for the record the amount of money paid each of those agencies, for the information of the committee?

Mr. HOUSTON. Yes; we have it here, but I think it would be better if we would submit it for the record. Except for the Department of

Agriculture, those amounts are relatively small. The large bulk of it is in the lumber survey.

Mr. STEFAN. That would go through Commerce?

Mr. HOUSTON. That would go to the Department of Agriculture, Forestry Service.

(The information referred to is as follows:)

Fiscal year 1947 as of Dec. 31, 1946—Obligations for special projects

Agency:	Amount
Agriculture—Forest Service.....	\$321, 000
Interior—Bureau of Mines.....	37, 500
Commerce—Foreign and Domestic.....	25, 000
National Archives.....	7, 473
Federal Works Agency.....	10, 000
Processing selective service certificates, OSRD.....	2, 130
Social Security Administration—Tabulating and Statistics.....	500
Total.....	¹ 403, 603

¹ Obligations for travel expense of \$60,630 are included in this amount.

DISCUSSION OF SUPPORT OF INDUSTRIES IN PROGRAMS

Mr. CANNON. Mr. Houston, your agency is dealing with a critical period in the industrial history of the Nation and with critical materials essential to the industrial rehabilitation of the country. At a time when many essential materials are unobtainable, or the supply is inadequate, you endeavor to distribute such quantities of supplies as are available in such a way as will be most equitable and will most effectively expedite economic recovery of the country following the war.

Of course, it would be impossible to please everybody. The only way you could please everybody would be to provide everybody with all of the material that they need, which, obviously, is impossible; but to what extent and by what percentages or, rather, with what percentage of approval or disapproval have you been able to administer your office; that is, approval or disapproval of industry with which you deal?

Mr. HOUSTON. It has always been our policy to work very closely with the industries that are affected by any of our regulations. Very early in the war we found it was much easier to do a job if you called the industry down here and explained to the representatives of that industry what you were trying to do, why you were trying to do it, laying all the cards on the table, and getting their cooperation, than it was just to sit back here and issue an order and say to industry, "Now go ahead and comply with it." We had to issue orders because, in order to make sure these things were carried out, we had to have regulations. Nevertheless, in most instances when the picture was clearly presented to the industry, they went along with the thing voluntarily. They did not like it, naturally, but they knew it was for the best interest of the country, and we had very little opposition to any of our regulations.

The same thing has been pretty much true during the reconversion period. However, it has been a little bit more difficult in many instances to get the wholehearted support of every member of an industry affected; because, naturally, in a peacetime economy it is more difficult

to get a unified agreement that the particular thing is really for the best interests of the country. But I think I can say that the majority of the people in the industries which are still restricted by our regulations do agree that they are necessary, and we do not have too much of a compliance problem in connection with our remaining orders on these critical materials.

And as soon as we find that the producers of a critical material and the users of a critical material are overwhelmingly against the continuation of that control, we generally get rid of the control; because we figure that they must know better than we do, even though sometimes we have some doubt about the wisdom of dropping some of our controls.

I can say, however, that in most instances we have found they were right, and it did not result in any great harm to drop those controls once the consuming and producer industries were in agreement they were no longer necessary.

So, in answer to your question, I think the remaining controls which we have do generally have the support of the industries that they affect.

Mr. CANNON. Then, generally speaking, you have had the acquiescence and compliance of the industries affected, and their approval of your work and administration of your work?

Mr. HOUSTON. I think as a whole; yes. I think we have not had too much criticism of the way we have operated. I do not mean it has been perfect by any means, but I think from my own contacts with people in industry it is fair to say they have agreed that the job which was being done was a very difficult one, but, since it had to be done, the administration of it was being carried out intelligently.

Mr. CANNON. And, as you say, it is not only a difficult task but at the same time an important task. A great many buildings are required where there are one, or at the most one or two essentials without which the building could not be completed, and you are rendering a service to industry and to the country in supplying these needed materials just at the right place and at the right time. Take, for example, soil pipe. The situation of soil pipe was one of the most controversial items with which you dealt; the supply was wholly inadequate, and there was practically no construction of any kind of any modern building that did not require it.

Mr. HOUSTON. That is right.

Mr. CANNON. It had to be produced or the entire building would be left useless, and all that was done on it was, for the time being, wasted. So you endeavored in that case to meet it with a subsidy which would increase the supply. Of course, it is axiomatic that price is governed by supply and, although the intrinsic value of the material itself may be small, if there is a universal demand for it and a lack of supply, very naturally the price would go up and, when the supply is adequate, the price would come down.

So, in expediting the supply of soil pipe by paying a subsidy, you were in the end reducing the cost to the consumer, were you not?

Mr. HOUSTON. That is correct.

PAYMENT OF SUBSIDIES

Mr. CANNON. And when you provided a subsidy for one manufacturer, you had to provide it for all. It obviously would be unfair

to offer a subsidy to one manufacturer and not supply it for another and, whether he asked for it or not, you had to make it available for the entire industry, for all of them or for none.

Mr. HOUSTON. That is correct.

Mr. CANNON. In order to be fair about it.

Mr. HOUSTON. That is correct.

Mr. CANNON. Although in some cases it might not have been needed or required by some manufacturers, if it was needed by the industry as a whole you had no choice but to make it available for everybody, for them to come and make application for it, and the thing you were doing was increasing the supply, making it available, and reducing the price to the consumer.

Mr. HOUSTON. Yes, sir. I think that summarizes it very well. I think it should be clear that in the subsidy payments the money is not paid on the total production; it is only paid if the manufacturer exceeds a certain quota or, in some cases, it may be paid on the total production, but only if he reaches a goal which we figure is going to make him have to step in order to reach that goal and that we would not get that production without that incentive.

Mr. CANNON. But in establishing regulations and establishing quotas, you could not discriminate between various branches of industry. If you made them available for one, you had to make them available for all?

Mr. HOUSTON. That is correct.

Mr. CANNON. There was no alternative?

Mr. HOUSTON. No.

IMPORTANCE OF HISTORY OF WPB AND CPA

Mr. CANNON. Your task, when you took over this work, would have been greatly lightened and many inevitable mistakes would have been avoided if you had had at hand a carefully edited, digested, and analyzed record of this work in past wars?

Mr. HOUSTON. It certainly would have been a lot easier and a lot of time would have been saved and a lot of mistakes would have been avoided. There is no question about that in my mind.

Mr. CANNON. You did have voluminous records from the First World War, but they had not been analyzed, classified, or organized. And they were in such huge volume that the information which you sought was not readily available. In contrast with that, when you have completed these 60 monographs and your 5 volumes of history, and your 3 volumes of minutes, in the event of another war, whether in 1950 or 1975, within 24 hours they could practically reestablish your activity?

Mr. HOUSTON. That is true; I think it could be done.

Mr. CANNON. And not only save time, but they would save many errors which would be inevitable in a trial-and-error system, which would be the only system otherwise available.

Mr. HOUSTON. That is right.

Mr. CANNON. In respect to your activity, then, you have been able to channel critical materials where they were most needed; you have been able to effect that result.

Mr. HOUSTON. Yes; we have.

Mr. CANNON. Really that was your objective?

Mr. HOUSTON. That is right.

Mr. CANNON. And you have accomplished your objective in a way which has met, as you say, with the general approval of the industries affected?

Mr. HOUSTON. I think that is a fair statement.

WORK OF CPA IN THE FUTURE

Mr. CANNON. How much work is there ahead; that is, what necessity will there be for your agency and your services in the future?

Mr. HOUSTON. Well, we feel in connection with the housing program particularly that our activities at their present level will probably be required through the fiscal year. I am speaking particularly about our activities in connection with the construction limitation order, with compliance, and with expediting the production of building materials. There may be and probably can be some tapering off of our activities in connection with the critical building materials as we are able to bring them into balance with the demand; but that won't be true of all of them, particularly soil pipe, where we are going to have a bad situation, I am afraid, for some time to come. And some other few materials are going to be in short supply, at least throughout the first part of this year and some throughout the year.

I think the real answer to this whole problem is getting increased production of those materials, rather than trying to have controls to distribute them. In other words, that is the ultimate aim to which we are striving.

Mr. CANNON. But until you do reach that goal, your only alternative is to allocate them where they are most needed?

Mr. HOUSTON. That is correct.

Mr. CANNON. And in doing that you have contributed to the solution of these problems and shortened correspondingly the readjustment period?

Mr. HOUSTON. That is right.

RATE OF LIQUIDATION

Mr. CANNON. Now, you are discontinuing just as fast as possible any of the functions and all of the functions that can be dispensed with?

Mr. HOUSTON. Yes; we are. As a matter of fact, when the Office of Temporary Controls was established in December, we had about 41 individual orders and schedules on our books. Up until the 3d of February, we have been able to eliminate 13 of those. During the current quarter, that is, the first quarter of 1947, we expect to be able to eliminate 12 more of those, leaving us, after March 31, with 16 specific orders covering particular materials or particular problems.

Mr. CANNON. Your available funds which are uncommitted will carry you along how far on that program?

Mr. HOUSTON. Well, I think it should be pointed out that on December 20, when we made up this rescission estimate, we were a little bit more optimistic than the supply of some of those building materials warranted and we had thought we would be able to taper off a little bit more rapidly in the last quarter of the fiscal year than it looks as though we are going to be able to do now.

I have talked to General Fleming about that problem and he has said that, as far as he is concerned, we are just going to do it; that is

all; and we are not going to ask for any additional funds or change our rescission estimate here; we are just going to live within our original estimate and we will just have to try and do that to the best of our ability. I think we can do it, but it is going to mean, without doubt, a little less activity in some fields than I would like to have there. But I think we can get by all right.

Mr. CANNON. And looking back at the record, you see there no undue overlapping, duplication, lost motion, and you have dispensed with any surplus personnel just as rapidly as the situation permitted?

Mr. HOUSTON. We have.

Mr. ENGEL. Just one question. How long would it take you and how much money would you require to close shop and liquidate now?

Mr. HOUSTON. I will have to ask my budget people for the answer to that.

Mr. ENGEL. Could you put that in the record?

Mr. HOUSTON. I think we would have to do a little figuring on that.

Mr. NOVICK. You would have to assume doing absolutely nothing.

Mr. ENGEL. I mean to liquidate just like we liquidated CCC and NYA, to close shop now and liquidate. How long would it take you and how much money would it require? You can put that in the record.

Mr. HOUSTON. Yes, sir.

Mr. ENGEL. I mean to start liquidating right now, just like we liquidated CCC and it took a period of 6 months to liquidate them, or something like that.

Mr. HOUSTON. On that question, for the record, I think it should be made clear that we have established the Civilian Production Administration as a liquidation agency with the permanent date of December 31, 1947, and that is the plan we have in mind right now, is for liquidation by that date.

Mr. ENGEL. Suppose you set that ahead to June 30?

Mr. HOUSTON. If you want, that is what we will give you. In what it would mean in the way of funds, I assume, in putting in this liquidation estimate, you mean for us to provide for those activities which under the law we would have to carry on or someone else would have to carry on whether we went out of existence or not; for instance, the statutory obligations which I outlined at the beginning of my testimony here. Somebody has to carry those on under the law.

Mr. ENGEL. Well, if you have not the funds, you just stop. When you are broke, you do not spend any more money, and when you are through borrowing and cannot get any more credit, then you stop spending. Now, just figure the closing date as of June 30 and let us see where we get to.

Mr. NOVICK. In the meantime, are we to administer the veterans' housing program No. 1 limitation order to completion, or expedite the production of materials, or are we to stop all of those activities?

Mr. ENGEL. Yes; including the payment of subsidies on materials if the price control is taken off. And, incidentally, I may say to you I think Dr. Cadrian in Newsweek said this week that the construction of houses had increased 100 percent since 1939, which did not seem to indicate much success of price control on it. I think the people are sick and tired of these controls and my candid opinion is I do not think you have helped the veterans' housing thing, because your

prices certainly have not been down, and when ash lumber up in my section of the country, where we have lumber, goes to \$115 a thousand, and hardwood flooring that we used to buy for \$80 goes to \$205, and then you pay a subsidy on top of that, it does not make sense.

Mr. HOUSTON. Of course, in that respect, if you do not feel the things we have done in connection with housing have been worth while, I would like to request permission to put in the record just a single sheet showing how the production of those critical materials has been increased.

Mr. ENGEL. I am talking about controlling prices. Now your price control is off and you are going out here in a seller's market with hardwood flooring and paying \$225 and \$280 a thousand, I think it is, and paying the subsidy on top of that. That just does not seem to make sense with the taxpayers' money, and I think it is time to call a halt.

You can give a statement of whatever you want to put in the record, but let us see what it will take to liquidate on June 30.

Mr. HOUSTON. I will be glad to do that.

(The information follows:)

On the basis of complete termination of all CPA functions by March 31, 1947, the earliest date on which this could be accomplished, and disposal between that date and June 30 of the records and property of the agency, it is estimated that the financial requirements for the agency for the fiscal year 1947 would be \$15,800,000 as compared with \$16,800,000 for the completion of the program as presented.

This estimate is based upon the requirement that employees be given a 30-day separation notice which, assuming that the decision is made on February 28 to effect complete liquidation, would permit the separation of all employees by March 31 except those required to dispose of the agency's records and property.

It has also been assumed for this estimate that no functions or operations of the agency would be transferred to any other agency of the Government and that the agency would be relieved of present statutory requirements for the continuation of some functions and for the preservation of its records.

To effect complete liquidation as estimated would require the immediate cancellation of all present orders of the agency and the immediate abandonment of all other functions, including the prosecution or defense of legal cases in which the agency is a party, the suspension of all audits in connection with premium payments that have been made, the abandonment of the partially completed history program and the immediate cancellation of all other operations.

The discontinuance by the Government of the housing functions performed by the Civilian Production Administration would mean the virtual abandonment of the present housing program designed to produce the maximum number of houses with the minimum of government controls. With revocation of the nonhousing construction limitation order, a tremendous amount of less-essential construction would be undertaken. Due to the limited supply of building materials such construction would be at the expense of the housing construction and would make it impossible to achieve the goal of 1,000,000 housing units in 1947.

Abandonment of the other operations in increasing the supply of building materials would, unless corrected by a substantial increase in prices, result in a smaller supply of the critical materials. Decrease in supply or increases in prices or both would result in less homes.

Any decrease in the rate of housing construction would injure the veterans—those most in need of housing—who benefit either directly or indirectly by every additional house that is built.

The elimination of other controls on world short materials, which will be continued by CPA if the necessary authority is granted, would be to the detriment of the veterans of the country as a whole. Limited supplies of such materials would be diverted to less essential uses. This would result for example in decreased supplies of binder twine for the farmers, in decreased production of tin containers for the packaging of agricultural products, and a depletion of the supply of drugs for the treatment of malaria. Continued control over the use of natural rubber is essential to insure its use for essential purposes. Rubber is also directly

related to the national defense. Cancellation of CPA work in the program to maintain a synthetic rubber industry and thus relieve the country from dependence on foreign sources of natural rubber would place the country in a vulnerable position again.

Many mistakes were made in World War II which would have been avoided if there had been available a complete and usable record of World War I. Unless we benefit by this experience and document our record as we have programed, but under this proposal would discontinue, we are apt to repeat this unfortunate experience in a later emergency.

Mr. MAHON. Mr. Houston, I have been a little uncertain as to just when you quit paying subsidies on certain critical materials—or have you quit doing that?

Mr. HOUSTON. Yes, we have quit on several of these plans, and I can give this to you.

The soft plywood plan was discontinued at the end of November.

Mr. MAHON. When were the price controls taken off of that material?

Mr. HOUSTON. On November 10. I believe all convector premium payments on those were stopped on January 31. I would like to check that date and make sure, but I am certain that was ended last week, and I am sure that proposition was carried out.

REASON FOR CONTINUATION OF SUBSIDIES ON CERTAIN HOUSING ITEMS

Mr. MAHON. If a manufacturer can get any price he may want to ask for critical items, not being restrained by price control, there would be no point whatever in a subsidy, would there?

Mr. HOUSTON. I do not quite understand your question.

Mr. MAHON. If a manufacturer of a critical article that is in large demand can get any price he may want to ask, not being restricted by price control, there would be no point in having a subsidy for him, would there?

Mr. HOUSTON. Yes; in certain instances, there is. In the case of soil pipe, the subsidy payment provides for overtime work on Saturdays and the premium payment is based on that. The entire subsidy goes into the additional labor and the additional payment to labor required by overtime work.

Mr. MAHON. But the manufacturer could have his men work on Saturday and pay them whatever he wanted to pay them, because the demand is so great for the soil pipe.

Mr. HOUSTON. Yes; but the chances are that the demand would increase the cost of labor, that the producer would not work on Saturday, if he did not have this money to pay, without raising the price.

In other words, it is their contention that in many of these plants if they raised their price they would be out of line with some other people in the industry who cannot produce cheaper than they can; and they are concerned about having prices spiral in the industry, with some of these producers getting caught on the short end, because they will have to charge much higher prices than some of their competitors and lose out in the long run.

There is also payment on gypsum liner, where the producers of that material are not interested in producing it because they could use their facilities for other purposes where they could make a lot more money for themselves. They have said, as far as they are concerned on that,

without some kind of premium price incentive to it they would not go along with any kind of an attractive price to produce this which they want to get.

It is true they could raise their prices, but if they raise them to the price at which they can sell profitably to make it, and then devote their facilities to this purpose instead of some other purpose, they could raise the price of that product so that would affect the price considerably of the end product. In this way the end product price is not increased.

Mr. MAHON. Suppose you amplify that in any form you wish in the record and give us an amplification of your testimony as to the subsidy business so that we may have a very clear picture of what you are doing and the reasons for it.

Mr. HOUSTON. That is why I have said I would like to put in the record the reason why we have kept some of these plans. It is rather difficult for me to recall all the details of each one of these plans, and I know they have been examined very closely, and I think I could give you a good record of the reasons.

Mr. MAHON. It is now after 12 o'clock, and I do not want to delay the committee too long.

NEED FOR PREPARATION OF HISTORY OF WORLD WAR II INDUSTRIAL MOBILIZATION EXPERIENCE

I know there will be an attitude on the part of some who agree with you on other things, as to whether or not these historical documents should be prepared—whether they are in the public interest.

So I wish you would read your statement carefully as to that matter and give us the full benefit of your thinking because we are entitled to know the whole truth about the matter; whether or not in our opinion, based on the truth, we want to continue that.

Mr. HOUSTON. I will do that and submit a statement for the record. (The matter referred to is as follows:)

PUBLIC AND OFFICIAL RECOGNITION OF NEED FOR A CRITICAL ANALYSIS OF WORLD WAR II INDUSTRIAL MOBILIZATION EXPERIENCE

1. Lack of World War I industrial mobilization data handicapped defense and early war production efforts

The need for information relating to World War I experience in industrial mobilization was recognized by defense officials from the beginning of the emergency in 1940. Attempts of these officials to find adequate analyses of the methods of meeting emergency problems in the first World War were largely futile. They found usable little more than Bernard M. Baruch's personal account of American Industry in World War I, and this proved only of limited value to officials confronted with the manifold and complex problems of policy and administration involved in preparing for the emergency.

While many of the defense officials made special efforts to satisfy their needs through the use of staff assistants in analyzing past experience, the process proved time-consuming and served chiefly to reveal that the records of World War I were both unmanageable and incomplete. Thus, when war came in December 1941, the Government lacked any adequate guide to our previous experience in industrial mobilization. This lack proved costly both in time and money.

2. Measures taken in World War II to fill this need

In the light of the needs recognized by these officials, a Government-wide program was initiated early in 1942 by the President for an objective and systematic recording of the wartime experience of the Government.

The initial efforts of WPB to carry out these objectives were at first limited by the lack of (a) a well-organized system of records administration, and (b) a staff

of qualified personnel. It was not until July 1943, when a staff professionally trained in records administration and research and writing was employed, that any real progress was made.

3. *Official and public evaluation of the program*

The former chairmen of WPB, Donald M. Nelson and J. A. Krug, and the Administrator of CPA, the Board's successor agency, John D. Small, have publicly called attention to the importance of recording our recent industrial mobilization experience. In his final report to the President, for example, Krug warned that:

"* * * we must take steps now to capitalize on the know-how gained in this war to maintain up-to-date plans for rapid mobilization for the next emergency," and that the WPB historical program "will provide a starting point for defense planning."

Twenty-three detailed analytical studies of war production policies and problems have already been published. To provide adequate coverage of all major areas of experience, 17 similar studies are in progress, and 22 others are projected.

On the studies thus far published, comments by former WPB officials having first-hand experience on the problems and areas covered have emphasized their value for future guidance. Comments to this effect have been made by Arthur H. Bunker; Lehman Brothers; Grenville R. Holden; Sylvania Electric Products, Inc.; Lemuel R. Boulware, vice president, General Electric; Harold Boeschstein, president, Owens-Corning Fiberglass, and a long list of other persons now engaged in manufacturing, banking, and trade.

To bring to a focus the experience gained in war production during the recent conflict, the staff has now ready for publication by the Government Printing Office the first of three volumes under the general title, "Industrial Mobilization for War." The authors have worked with the original documents of the WPB and its predecessor agencies and consulted with the officials of these agencies. This first volume analyzes methods of organization, problems encountered, and errors or failures in administration. Former officials of NDAC, OPM, SPAB, and WPB have seen the manuscript: many of them have been in correspondence with the War Production Board historian. Excerpts from this correspondence are shown in exhibit A attached.

The value of the publications already issued and distributed has been widely recognized by Government, industry, labor, libraries, institutions of learning, and research foundations throughout the United States. About 500 copies are made generally available to the public through distribution to the depository and other libraries. In response to a wide interest in these publications, copies are being distributed on request to industry and other organizations in a position to put them to maximum use. Types of individuals and organizations requesting and receiving these publications are listed in exhibit B. Announcement of our publications has been made public through the lists of the Superintendent of Documents and numerous trade and professional journals throughout the United States.

4. *Value of program to national security*

Over the period in which our staff has been engaged in an analysis of our industrial mobilization experience, a long procession of WPB officials who have held crucially important positions in the war production agencies have worked with our research and writing group. These officials, with their sense of the practical and useful, were all in agreement that a truly accurate and full account of what was done by Government and industry in the process of mobilizing the economy for war production was of primary importance.

Some, like William L. Batt, who has a record of distinguished service in the NDAC, OPM, and WPB, have stressed the necessity of securing the maximum amount of information from the actual participants in the war effort before it is forgotten or becomes so dim in memory that it is too lifeless and incomplete to be of use. John Lord O'Brian, who was general counsel of WPB, stressed the pioneering nature of the industrial mobilization job that was done and that the storehouse of unique and invaluable "know-how" that was built up during the war years can serve as precedent in future national emergencies, but only if it is sifted and brought together in manageable and intelligible form.

Others have pointed out that the almost completely unavailable records of the First World War disappointed those officials who had counted on drawing upon our previous experience with industrial mobilization. One of the considerations motivating the establishment of this program of WPB was to prevent a recurrence of this situation with respect to the records of this war.

Nor is it thought that the utility of the information will be limited to some distant national emergency. Ferdinand Eberstadt, onetime Chairman of the ANMB and later program vice chairman of WPB, was of the opinion that this Nation must establish and keep constantly alive an organization for mobilization planning similar to that the WPB once was. This, he thought, was a current need and the experience of the WPB would be invaluable to whatever agency is made responsible for industrial mobilization planning. Col. Robert W. Brown, Assistant Commandant of the Armed Forces Industrial College, has stated:

"* * * this activity (historical) of the War Production Board is the breath of life for the planning agencies of the War and Navy Departments and the Industrial College. We must find out what happened. We must get the material and evaluate it in order that our instruction and our planning will have any efficacy at all. * * * The position which this agency (WPB) occupied in the industrial mobilization set-up manifestly makes it the key agency around which a greater portion of our studies in the future will have to take place. We will want to know how it was put together * * * what its functions were, what its policies were, and what it accomplished. The only way we can do that now, of course, is by a study of history."

5. Summary

I believe everyone who worked on war-production problems whether in 1940 or in 1945 will assure you that he could have done a better job and a more efficient one if he had had available an analytical history of what transpired in World War I. Because of that experience, all of us are strongly of the opinion that we have an obligation to the future security of our country to record and analyze this experience of World War II.

EXHIBIT A. EXCERPTS FROM CORRESPONDENCE OF FORMER WPB OFFICIALS ON THE WPB HISTORY

All of the top officials of WPB and predecessor agencies have reviewed the manuscript of volume I of Industrial Mobilization for War. In doing so, they have submitted valuable comments and criticism which have contributed greatly to the accuracy and quality of the volume. Typical of the general comments on the value of this volume are the following excerpts from their correspondence with the WPB historian:

Donald M. Nelson, president, Society of Independent Motion Picture Producers, formerly Chairman, WPB:

"I believe your volume I, History of the War Production Board and Predecessor Agencies, part I: The Preparedness Program, is a splendid document. Your research on it is excellent.

"I think that the work done by the historian's office so far has been excellent. You can be proud of the job."

John Lord O'Brien, Covington, Burling, Rublee, Acheson & Shorb, formerly general counsel, WPB:

"These volumes (pts. IV and V), like their predecessors, are impressive and very creditable pieces of work. Both as historical narratives and as source records, they should be tremendously valuable in the future."

William L. Batt, president, SKF Industries, Inc., formerly Vice Chairman for International Supply, WPB:

"I hope not to have to live through another situation like the one covered by these minutes but, if such an emergency should again develop, the War Production Board pattern and experience will be a most useful one."

Harold Boeschstein, president, Owens-Corning Fiberglass Corp., formerly Operations Vice Chairman, WPB:

"I * * * want to tell you that I believe you and your associates have, all in all, done an unusually good job in portraying accurately the happenings of the period and the atmosphere in which it was carried on. Considering the overwhelming welter of words and reports which you have had to sift and from which you have had to choose, the job is the more remarkable."

Lemuel R. Boulware, vice president, General Electric Co., formerly Operations Vice Chairman, WPB:

"You certainly have a colossal job cut out for you in assembling all this material, and I am especially hopeful that as a result of your good work a clearer guide will be available to the organization of the next national effort on the production front."

A. C. C. Hill, Jr., executive assistant, Vick Chemical Co., formerly Vice Chairman for Civilian Requirements, WPB:

"You and your staff have done highly significant work with unusual ability. I feel it has been a pleasant experience to read these volumes."

J. S. Knowlson, president, Stewart-Warner Corp., formerly Vice Chairman on Program Determination, WPB:

"Again I am impressed with the fact that you have done a very objective and constructive job and presented your material in a very judicial manner."

J. A. Krug, Secretary of the Interior, formerly Chairman, WPB:

"Both of these drafts are impressive, well-documented histories of the periods with which they deal, and I think you and all those who collaborated in the preparation of them are to be commended on the careful research and assembly of data which are reflected in their pages."

EXHIBIT B. TYPES OF ORGANIZATIONS REQUESTING AND RECEIVING PUBLICATIONS

Of the hundreds of organizations (governmental officials and agencies, industries, trade and labor associations, research institutions, libraries, and universities) requesting and receiving our publications, of particular interest to them, the following are typical:

GOVERNMENT

United States Atomic Energy Commission	Department of Labor
Bureau of Internal Revenue	Under Secretary of War
National Labor Relations Board	Senator Saltonstall
National Housing Agency	Senator Wherry
Headquarters Quartermaster School, Camp Lee, Va.	Representative Edward Rees
Railroad Retirement Board	Representative Carl Mundt
Army Industrial College	Representative Ralph E. Church
Department of Commerce	Senate Small Business Committee
Commanding general, Air University, Maxwell Field, Ala.	Senate War Investigating Committee

INDUSTRIES

Shulter Corp., Colton, Calif. (chemicals).	Neuva Compania Azucarera Gomez Mena, Hawaii (alcohol).
Riegel Paper Co., New York City.	Commercial Solvents Corp., New York City.
West Virginia Pulp & Paper Co., New York City.	Day & Zimmerman, Philadelphia, Pa.
Wechsler Thermometer Corp., New York City.	Electric Storage Battery Co., Philadelphia, Pa.
John M. Weiss Co., New York City.	Bendix Aviation Corp.
Witso Chemical Co., New York City.	American Smelting & Refining Corp.
S. S. White Dental Manufacturing Co., Staten Island, N. Y.	TWA Airline, Kansas City, Mo.
Jones & Laughlin Steel Corp., Aliquippa, Pa.	Tennessee Eastman Corp., Kingsport, Tenn.
Koppen Co., Inc., Pittsburgh, Pa.	Henry J. Kaiser Co., Oakland, Calif.
Gibbs & Cox, New York City (ship designers).	Western Electric Co., New York City.
Revere Copper & Brass Co., New York City.	General Mills Inc., Minneapolis, Minn.
Permanente Metals Corp., Oakland, Calif.	J. I. Case Co., Racine, Wis. (farm equipment).
Fort Motor Co., Dearborn, Mich.	Allis Chalmers Manufacturing Co., Milwaukee (farm equipment).
American Co., Inc., Philadelphia, Pa. (chemists).	Willys-Overland Motors, Inc., Toledo, Ohio.
Massey, Harris Co., Racine, Wis. (farm equipment).	Armour & Co., Chicago, Ill.
Dennison Manufacturing Co., Framingham, Mass.	Cities Service Refining Corp., Lake Charles, La.
New Jersey Zinc Co., New York City.	Wright Aeronautical Corp., Woodridge, N. J.
Reynolds Metal Co., Richmond, Va.	Pure Oil Co., Tulsa, Okla.
RCA Victor Co., Ltd., Montreal, Canada.	American Cyanamid Corp., Washington, D. C.
Schering Corp., Bloomfield, N. J.	Aluminum Co. of America, Washington, D. C.
St. Joseph Lead Co., New York City.	General Aniline & Film Corp., New York City.
Standard Oil Co., Chicago, Ill.	Pennsylvania Railroad, Philadelphia, Pa.
Shell Development Corp., San Francisco, Calif. (oil).	Phelps-Dodge Corp., New York City.

TRADE AND LABOR ORGANIZATIONS

United States Copper Association, New York City.	Automobile Manufacturers Association, Detroit
Fiber and Flax Institute, Chicago, Ill.	American Bankers Association, New York City
Farm Equipment Institute, Chicago, Ill.	American Zinc Institute, New York City
Food, Tobacco, Agricultural and Allied Workers Union, Philadelphia, Pa.	American Iron & Steel Institute, Pittsburgh, Pa.
National Industrial Conference Board, New York City	International Ladies Garment Workers' Union, New York City
California State Chamber of Commerce	International Union of Mine, Mill and Smelter Workers, Chicago.
Institut Supérieur de Commerce, Anvers, Belgium	
National Farmers Union	

RESEARCH ORGANIZATIONS AND LIBRARIES

Seattle Public Library	New York Stock Exchange, New York City
Milwaukee Public Library	National City Bank, New York City
Brooklyn Public Library	Royal Bank of Canada, Montreal
Denver Public Library	Sun Life Assurance Co. of Canada, Montreal
Enoch Pratt Free Library, Baltimore	Central Hanover Bank & Trust Co., New York City
Food Research Institute, Oakland, Calif.	Chicago Tribune
Canton (Ohio) Public Library	Federal Reserve Bank of Kansas City
Pasadena Public Library	Federal Reserve Bank of Philadelphia
Rochester Public Library	Twentieth Century Fund, New York City
Battelle Memorial Institute, Columbus (industrial research)	Time, Inc. (publications)
United States Fire Insurance Co., New York City	Lehman Corp., New York City
Metropolitan Life Insurance Co., New York City	Dun & Bradstreet, New York City

UNIVERSITIES

Catholic University	University of South Dakota
Vassar College	University of Southern California at Los Angeles
Graduate Faculty of Political and Social Science, New York City	Harvard School of Business Administration
Joint University Libraries, Nashville, Tenn.	Queens College, Flushing, N. Y.
Montana State University, Missoula, Mont.	Ohio Wesleyan University
New York State School of Industrial and Labor Relations, Ithaca, N. Y.	Carnegie Institute of Technology
New York School for Social Research	Columbia University
New York University	Princeton University
Northwestern University	Texas Christian University
Temple University, Philadelphia	University of Toledo
Leland Stanford University	Amherst College
	Smith College

POLICY WITH RESPECT TO VIOLATIONS

Mr. MAHON. In reference to your enforcement work I would like to ask you one question. When people are found to have violated rules of the CPA, or in the past the rules of the WPB, or when the rules have subsequently been changed to the point where there is no longer a violation, what do you do with that kind of a case?

Mr. HOUSTON. Generally, unless a violation has been a very flagrant one, we do not try to follow it up and prosecute. In other words, if we get to the end of an order, and we have several cases in process which are in the preliminary stages, we examine those, and if they are rather minor in character we think if we went into court the court would say, "This is out of existence, the man is not a

criminal"; but the thing is no longer in effect and we would not go any further with it. But if it was a flagrant violation, in our opinion, it still is, even though the order has been dropped.

Those cases we mentioned are cases where orders are no longer in effect and we are still prosecuting those cases.

NEED FOR CONTINUANCE OF ACTIVITIES IN SUPPORT OF VETERANS' HOUSING PROGRAM

Mr. MAHON. Mr. Houston, Congress is very sensitive to the needs of the veterans of the country, and rightly so.

I wish you would answer this question: If we should suspend the operations of your agency, what hardships, if any, would come to the veterans by reason of the chopping off of the activities of the CPA?

Will you amplify that in the record?

Mr. HOUSTON. I think it would be a good idea if I amplified that in connection with the submission of other data.

(The material referred to is as follows:)

CPA ACTIVITIES IN SUPPORT OF THE VETERANS HOUSING PROGRAM

CPA has and is continuing to cooperate closely with the Housing Expediter to help speed the construction of the maximum number of housing units, both for rent and sale to veterans of World War II. Some of the specific activities now being carried on by CPA in support of this program are outlined below. If these activities are curtailed or dropped completely, the housing program, and ultimately the veteran, will suffer proportionately. Only those Government regulations which are of proven value in stimulating the construction of new houses and apartments have been retained. Other controls have been dropped, and a constant screening process is going on to make sure that none of the remaining controls is retained longer than is necessary.

1. CPA is using its priority powers (order VHP-1) to restrict nonessential nonhousing construction in order to prevent these types of construction from competing with home construction for building materials, many of which are still in short supply despite tremendous production gains since VJ-day.

2. CPA limits the use of scarce buildings materials to the most essential uses. For example, VHP-3 forbids the use of cast-iron soil pipe beyond 5 feet from a structure since clay pipe is perfectly satisfactory as a substitute.

3. CPA requires building material producers in certain industries to concentrate production on types of products needed to build new houses. For example, production of cast-iron soil pipe must be concentrated in the sizes suitable for housing (VHP-4) and sawmills are required to produce at least 50 percent of their total monthly output of softwood lumber in housing construction grades.

4. CPA is using its priorities and allocations powers to increase the production of building materials by channeling pig iron, steel and other raw materials, capital equipment and MRO supplies to producers of items in critically short supply.

5. CPA's compliance staff is enforcing orders and regulations in support of the housing program.

6. CPA is giving informal support to the housing program (frequently taking the place of formal support) by (a) locating alternative sources of supply for producers of building materials, (b) influencing the distribution pattern of an industry by giving advice on areas of shortage, increased demand, etc., (c) persuasive rescheduling of deliveries in favor of a producer of building materials.

7. CPA's Office of Labor Requirements assists in the settlement of disputes in plants making building materials, assists in recruitment of needed labor, etc.

8. CPA gathers and analyzes statistics on the supply and requirements of building materials and related materials, components, and equipment items for the benefit of the housing program.

9. CPA is assisting the Housing Expediter in reviewing premium payment plans.

The important effects of CPA's activities on the veterans' emergency housing program are apparent from a glance at the record. The attached tables show the phenomenal gains made in the production of building materials since VJ-day and the sharp rise in the construction of homes for veterans made possible by the increased supply of building materials. The extent to which scarce materials have been diverted to housing and away from nonessential nonresidential construction is indicated by the fact that since March 26, 1946, when VHP-1 became effective, CPA has denied permission to start more than 50,000 nonhousing projects valued at nearly \$2,000,000.

Production of building materials up sharply since VJ-day

Product	Unit	VJ-day, August (1945)	Fourth quarter, month of August (1946)	Percent increase
Lumber.....	Million board feet.....	2,719	3,048	12
Hardwood flooring.....	do.....	23	39	70
Millwork.....	do.....	(1)		
Softwood plywood.....	Million 3/8-inch square feet.....	89	133	49
Portland cement.....	Millions of barrels.....	9.9	15.4	56
Common and face brick.....	Million standard bricks.....	211	446	111
Concrete block.....	Million 8 by 8 by 16-inch block equivalents.....	37	91	146
Unglazed structural tile.....	Thousand tons.....	62	122	97
Clay sewer pipe.....	do.....	59	107	81
Cast-iron soil pipe.....	Short tons.....	15,293	43,174	182
Asphalt and tarred roofing and siding products.....	Millions of squares.....	5.5	6.8	24
Gypsum board and lath.....	Million square feet.....	172	314	83
Other building boards.....	do.....	236	270	14
Critical electrical wiring devices:				
Toggle switches.....	Millions of units.....	1.6	3.9	144
Convenience receptacles.....	do.....	1.2	4.1	242
Sockets.....	do.....	3.8	11.9	213
Boxes.....	do.....	3.3	9.8	197
Box connectors.....	do.....	2.5	6.6	164
Nails.....	Thousands of net tons.....	51	72	41
Plumbing fixtures:				
Bathrooms.....	Thousands of units.....	27	119	341
Lavatories.....	do.....	97	187	93
Sinks.....	do.....	65	258	297
Water-closet bowls.....	do.....	121	201	66
Hot-water heaters.....	do.....	114	316	177
Range boilers.....	do.....	70	91	30
Radiation:				
Cast-iron radiation.....	Thousands of square feet.....	1,423	4,064	186
Convactor radiation.....	do.....	(2)	3,115	
Conventional convactor ra- diation.....	do.....	492	2,356	379
Warm air furnaces.....	Thousands of units.....	29.6	808	173

¹ Not available—month of August; first quarter, 1945 equals 92.

² Not available.

New permanent dwelling units (privately financed)

[Source: NHA]

TOTAL STARTS

1946.....	¹ 670,300
1945.....	207,200
1941.....	619,500
1939.....	458,000
1925.....	937,000

DOLLAR VALUE PUT IN PLACE (ESTIMATED BY COMMERCE AND BLS)

[Millions of dollars]

1946.....	\$3,680
1945.....	741
1941.....	3,244
1939.....	2,190
1925.....	4,505

¹ Includes permanent dwelling only—excludes temporary. Temporary includes conversions, 64,500; new trailers, 48,000; temporary reuse, 191,000; other public and educational, 29,200. Total starts (including both permanent and temporary)=1,003,000. Also excludes 8,000 units, State-financed (New York).

Mr. WIGGLESWORTH. May I ask one thing, Mr. Houston, in connection with the subsidy discussion?

PERSONNEL ENGAGED IN HOUSING-SUBSIDY PROGRAM

Will you give us for the record your estimate of what these subsidies amount to, and how much subsidy you are planning to pay during the balance of the fiscal year, and the number of personnel, if any, that that work involves in that connection?

Mr. HOUSTON. I will be very glad to do that. Of course, as I said, it will not be easy because the subsidy plans are really the Housing Expediter's plans, but we will be glad to get you any information we have regarding what his intentions are.

I would like to make one other point before I close the case. I realize the importance of this subsidy question to you gentlemen, and I do not want to leave the impression because of the amount of time that we have spent on this—and naturally, in CPA the major portion of our staff is not on the subsidy payments. It is a very minor part.

(The information with respect to personnel is as follows and the information with respect to the premium-payment plans is given on p. 182:)

Number of CPA personnel engaged on work pertaining to formulation and administration of the housing expeditor's premium payment plans

	Full time	Part time
Bureau of Industry Operations:		
Office of the Director.....	2	2
Building Materials Division.....	8	7
Forest Products Division.....	5	6
Metals and Minerals Division.....	2	5
Legal Division.....		1
Bureau of Priorities:		
Compliance Division.....	¹ 125	
Controls Readjustment Division.....		2
Office of Economic Review and Analysis.....		7
Bureau of Demobilization: Administrative Services Division.....		4
Total.....	142	34

¹ Approximately. These employees are engaged in auditing and investigating quota applications and claims for payments.

NOTE.—The part-time employees engaged in this activity spend a very small portion of their time on this work; the major part of their time is spent on other activities of the agency.

EFFECT OF PRIORITIES UPON VETERANS' HOUSING PROGRAM

Mr. CASE. I would like to refer to a question asked by Mr. Engel and a question asked by Mr. Mahon, and I would like to clarify the question asked by Mr. Engel with reference to a variation in the program.

It happens that I am a member of the American Legion committee of the State Legion on Housing for the Department of South Dakota. The committee held an all-day hearing at Mitchell, S. Dak., on the 6th of November 1946, which was attended by representatives of Legion posts from all over the State and also by representatives of the building crafts and unions, and suppliers, people working in the construction field. It was the conclusion of that meeting, after free and open discussion of the resolution, that this priority control was a detriment to the veterans' housing program and should be discon-

tinued. It was expressed very definitely by the veterans present, and members of the American Legion, and this was an official meeting of the Department of South Dakota, which was attended by the commander, the adjutant and other officials, that the channeling of raw materials tended to raise the price and put on the program of building for those who could build at a certain price, but who cannot operate housing for the rank and file veterans.

So I would like to see this question asked by Mr. Engel answered completely, and it should be answered by June 30, 1947.

Mr. HOUSTON. I would like to make a statement on that if I may. As far as the American Legion is concerned, I think they have done a tremendous amount of good in connection with the housing program. As a matter of fact, the 1947 program is based to a large extent on their recommendations by that very careful study of the American Legion.

What they were concerned about when they were talking of priorities was in connection with the system which provided the builders with ratings that they could use to get their supplies and get their material. Their contention and the contention of the builders was in connection with the system operating at the distributor level, thus putting on them a lot of paper work.

Mr. CASE. They would not want that statement to be considered an interpretation of the evidence brought forth by the rank and file members of the Legion at the meeting at Mitchell to which I have referred.

The feeling was just this, that it would be better to let the materials go to the people who could afford to put up housing costing \$10,000 to \$12,000, and let the young veterans find housing that would be released in that procedure.

Mr. HOUSTON. My point was that the statement that priorities had been eliminated since December 22 and accepted by organizations and producers of those materials, and they are recommending the continuation of the limitation on nonhousing construction, and they think if those two parts of the program are continued the rest of it should be discarded.

Mr. CASE. How much of your control program is devoted to the limitation of channeling material to nonhousing construction?

Mr. HOUSTON. I can tell you that approximately. Our field organization is almost entirely devoted to that. I would say that 90 percent of our field organization of 1,500 people are devoted to the housing program, and that would be about 1,350 people.

In Washington I would say we have 900 people engaged in that part of our activity, so it would be roughly 2,300 people out of our present pay roll of 3,200, or somewhere around 70 percent, which ratio increases as our activities decline, and I would say that as of June 30 we will have 80 percent of our remaining people devoted to the veterans' housing program. It will be about 2,050 people out of a total employment of 2,500.

Mr. CASE. You say that the veterans' housing program, as to the impersonal aspect of it—

Mr. HOUSTON. Yes, and of that 80 percent I would say that 80 percent of that will be for construction limitation and compliance. In fact, I would say higher than that, closer to 90 percent, I think.

(Discussion off the record.)

The CHAIRMAN. Thank you, gentlemen.

TUESDAY, FEBRUARY 4, 1947.

OFFICE OF WAR MOBILIZATION AND RECONVERSION

STATEMENTS OF HAROLD STEIN, COMMISSIONER, AND JAMES
N. W. McCLURE, BUDGET OFFICER

The CHAIRMAN. We will take up the item for the Office of War Mobilization and Reconversion.

General FLEMING. We are ready to proceed, Mr. Chairman, with the Office of War Mobilization and Reconversion and the Office of Economic Stabilization. The OWMR was created by the George bill, and that legislation expires on June 30, 1947. The entire activity is now in liquidation status and will be liquidated as of the 30th of June.

GENERAL STATEMENT

Mr. Stein is the Commissioner and he is here to answer such questions as you may desire to put to him.

Mr. STEIN. Would you like me to first tell you what we are doing?

The CHAIRMAN. I want to know what you have got to do now. I do not know that the picture of what has been done is so very important.

Mr. STEIN. The statement in the justification that has been submitted gives a general picture of the immediate background.

The President created several years ago the Office of War Mobilization by an Executive order, having previously created the Office of Economic Stabilization.

Then the Congress created by statute the Office of War Mobilization and Reconversion, and a Director appointed to that position took over the tasks of the Office of War Mobilization.

Recently, on December 12, the President, by Executive order, transferred to the Office of Temporary Controls the remaining functions of the Office of War Mobilization and Reconversion, and the remaining functions of the Office of Economic Stabilization except for certain specified directive powers created by the War Mobilization Act, which were transferred to the President himself and which are, in practice, exercised for him by Dr. Steelman.

The CHAIRMAN. What have you got to do from now on? What activities have you got?

Mr. STEIN. We have a whole variety of activities which individually do not take a great deal of time, but all of them together take quite a bit.

LIQUIDATION OF SUBSIDIES

We have certain responsibilities in connection with the subsidy program. Liquidation of subsidies that have been terminated is rather an involved process, which involves provisions in the basic subsidy regulations of the Office of Economic Stabilization. That frequently involves getting advice from the Attorney General to make the necessary changes. That activity, we hope, will finish pretty completely in about 2 months.

The CHAIRMAN. Why would it take that long to wind that up?

Mr. STEIN. Probably because the office of the Assistant Solicitor General works rather slowly on these complicated programs, and we can take no final action until we get word from him.

The CHAIRMAN. While that is probably true, you do not have to do any work on it?

Mr. STEIN. We do not have to do any work on it, but we do have to wait until word comes back. There are continuing two subsidy programs, one for stripper oil wells, and the premium-price plan for metals. The stripper-oil-well subsidy expires by statute on the 1st of April, and we hope that then we can complete that job which will be a very simple one, in about 2 weeks. However, the premium-price plan continues until June 30 under the Price Control Extension Act.

Since the budgetary material was submitted here, by order of General Fleming, the actual operating activities in connection with the premium price plan as distinguished from regulations have been consolidated and transferred to the Office of War Mobilization and Reconversion. That is a completely separate unit and it does not appear in this submission at all.

The CHAIRMAN. The total number of persons involved is 60, and that will have to be going until June 30?

Mr. STEIN. I think the 60 people on the premium-price plan operations are entirely apart from anything described herein.

General FLEMING. That was carried on here before by both the OPA and the CPA. The two were put together in one unit, and turned over to Mr. Stein, with transferred personnel and funds to carry them until June 30, the expiration date of the premium price plan. The consolidation reduced the number of employees.

Mr. STEIN. We have the CPA and OPA employees who operate the plan, and we take over the appropriation accounts to which they are charged, and they are the OPA and CPA appropriations. The appropriations listed in the present submission are entirely different.

CONTRACTS UNDER SECTION 202 OF WAR MOBILIZATION AND RECONVERSION ACT

Another activity, which is a continuing one, at least for the immediate future is one under section 202 of the War Mobilization and Reconversion Act. Under that section no war contract can be continued after the military need has expired, except with the approval of the Office of War Mobilization and Reconversion. Most of those contracts have been terminated, but there are certain important ones on which probably further extensions are necessary.

For example, during the war the Government spent a great many millions of dollars in getting operations started in Cuba on the initial project for nickel, and they produced nickel oxide there which was very useful during the war. It is a project that is very useful to a great many Government departments.

The RFC has been carrying it on from its inception under authority granted by our office, and it is believed that it would be highly beneficial to place that project with a going concern and not let it die, because if it dies there will be nothing left there.

They are now on their last extension, and it is believed that it will be very beneficial to the United States to keep the project in operation.

PROJECTS UNDER DEPARTMENT OF AGRICULTURE

Another problem which requires the same kind of review is in regard to several projects under the Department of Agriculture. One of those is the Farm Crop Processing Corporation. There are three of those big alcohol plants in the Middle West. There is also a wood alcohol plant in the far West. We want to keep these plants going so that agriculture will get the benefit from the actual operation wherever possible, and also to induce people to buy them on a commercial basis. That activity is pretty well along.

DRAFT DEFERMENT OF GOVERNMENT EMPLOYEES

Another activity which takes very little time is the job in connection with the Puryear committee in reference to draft deferment. That is in reference to deferment for Federal employees. Actually, of course, nobody is being drafted, but the agencies, not knowing whether the draft will be revived, are asking for exemption for special classes of employees in case the draft is revived.

The CHAIRMAN. That means that Mr. Puryear is still on the pay roll?

Mr. STEIN. No; it means that that activity had reached the point where it did not justify special employees to be engaged on it, and therefore Mr. Puryear and three other people were given their separation notices and are on their terminal leave, or have actually left, and we are carrying that on.

The CHAIRMAN. The draft was suspended back in July.

Mr. STEIN. Yes.

The CHAIRMAN. It took 6 months to give these terminal notices?

Mr. STEIN. It was before the Executive order and it was quite sometime ago. That is now a part-time activity. The Office of War Mobilization and Reconversion is handling the paper work.

The CHAIRMAN. There is not any paper work.

Mr. STEIN. Oh, yes; there is.

Unless they keep those things active the young scientists will be affected. The FBI is also keeping an active file, and there are a number of other requests for that sort of action.

There are other activities, started while Dr. Steelman was Director of the Office of War Mobilization and Reconversion, that are of continuing assistance to him and to the White House. They are a fairly voluminous activity and take up a good deal of time of this staff.

We have continued to work with Government agencies in connection with their price policies, since price decontrol.

COORDINATION OF WORK WITH VARIOUS BUREAUS

Another thing we do is coordinating the work of different bureaus in a number of instances. One is in connection with the fertilizer program, and in connection with that we have dealt with the War Department, the Department of Agriculture and the Office of Defense Transportation to work out these problems in reference to the production of fertilizer by the War Department and the production of fertilizer by commercial companies, and its equitable distribution, and the facilities used for that purpose.

I testified at some length before the House Committee on Agriculture on this subject the day before yesterday, and I will be glad to file that testimony with you.

Those are some samples of the things we have to do.

COORDINATION OF POLICIES IN CONNECTION WITH EXTENSION OF SECOND WAR POWERS ACT

Also, I think I might mention the fact that Dr. Steelman was directed by the President to coordinate policies in connection with the extension of the Second War Powers Act. That work was done from my office, and that was presented to Dr. Steelman.

SPECIAL STAFF WORK FOR ADMINISTRATOR OF TEMPORARY CONTROLS

Also, the OWMR acts as special staff, and has done a good deal of work as special staff for the Administrator of Temporary Controls. When he established that activity there was practically no central staff at all.

The Office of the Administrator has only three people in it, and therefore he has used our staff as his staff on such occasions as they were needed. For instance, he has used our staff to work for him and make a review of the different operations of the premium-price plan. We made that review and presented to him recommendations as to how that operation might be streamlined. Similarly, we made a special study of the channeling of basic materials for housing, and what the effect would be if it were discontinued.

There is a considerable variety of other functions that we perform, and now we are trying to get out as fast as we can.

MODIFICATION OF RENEGOTIATION

A directive was sent out some time ago as to certain types of cases involving modification of renegotiation agreements by the War Department. The grant of relief in these cases required the approval of the War Mobilization and Reconversion Office.

We have worked out a system with the War Department whereby they will not have to refer the individual cases to us any further.

I could go on at considerably greater length telling you some of the things we are doing, but I think I have given you some indication of the great variety of functions we perform.

WORK CAUSED BY OUTBREAK OF HOOF-AND-MOUTH DISEASE IN MEXICO

Let me give you one last example. There has recently been in Mexico a very severe outbreak of the hoof-and-mouth disease, which is the most contagious disease known to beast and man, I am told. To do a job to prevent that from spreading in this country requires the coordinated effort of a good many Government agencies. The matter was referred to me, and Mr. Goss, the master of the Grange, came to see me about it. I then called a meeting of the representatives of the War Department, the War Assets Administration, and the Civilian Production Administration, and one or two other agencies, and we worked out a coordinated program for each of the agencies

to do the work that is needed, and the Government will pool those efforts to see that that situation is taken care of.

STATUS OF APPROPRIATION AS OF JANUARY 1, 1947

The CHAIRMAN. How much money did you have left on the 1st of January in each of these items?

Mr. STEIN. On the 1st day of January—

The CHAIRMAN. For salaries and expenses, Office of War Mobilization.

Mr. STEIN. We have some revised figures. Let me explain this, so you will see what has been done.

The CHAIRMAN. These figures do not jibe with the budget figures, so it is rather difficult to spot this picture.

I was going to go down the line to see if you could answer some questions about it.

Here is an appropriation of \$675,863. Here is an item for OMWR for salaries and expenses of \$147,000. On that particular one, what was the balance on January 1, 1947?

Mr. STEIN. The balance was \$198,250.

The CHAIRMAN. The next item is "Salaries and expenses, Economic Stabilization," that is "War mobilization and reconversion, \$180,498." The balance there is what?

Mr. STEIN. That is \$99,515.

The CHAIRMAN. Then there is another one, for the guaranteed wage plan.

Mr. STEIN. The balance there is \$70,792.

The CHAIRMAN. Your activities for the first item, or your expenditures or obligations for the balance of the fiscal year are what?

Mr. STEIN. That is the OWMR. We expect to spend the full amount. We have revised that from \$238,250 to \$198,250.

The CHAIRMAN. The balance has shrunk \$40,000?

Mr. STEIN. Yes.

The CHAIRMAN. How did that happen? You start with a figure that does not jibe with the appropriation figure. That is what confused me in your justifications.

Mr. McCLURE. As to that original submission, if you will look at the fifth figure down you will see—the statement was made in an attempt to reconcile the original figure with the budget message.

The CHAIRMAN. I do not get that at all. You mean there was some transfer out from the \$725,000 figure?

Mr. McCLURE. There was a transfer at that time under the order to set up the Office of Temporary Controls.

Mr. STEIN. There is a transfer out of \$159,300.

The CHAIRMAN. You start with \$725,000, and the Budget shows \$675,863.

Mr. McCLURE. Our figure was the amount after deducting the previous amount under the Executive order and adding the amount of reimbursements.

The CHAIRMAN. That is how you arrive at the \$675,000.

Mr. STEIN. That is not the appropriation figure. That is the appropriation minus transfers out, plus transfers in.

The CHAIRMAN. Where do you get \$40,000? How did that come about?

Mr. McCLURE. That has developed from the decline in employment which can be expected at this time, but could not be foreseen at the time the original submission was made, and an anticipated increase of \$5,000 in transfers under the Executive order.

The CHAIRMAN. How would you reduce the available amount to \$40,000? I do not understand that.

Mr. McCLURE. It would reduce the anticipated reimbursement, Mr. Chairman.

Mr. STEIN. You might explain that.

Mr. McCLURE. The amount for OWMR included in the original submission reimbursement from the Office of Economic Stabilization appropriation. That has been recalculated, and you get a different amount.

NUMBER OF PERSONNEL

The CHAIRMAN. How many people have you on your roll now?

Mr. WIGGLESWORTH. The justification shows 101.

Mr. McCLURE. We had on January 31, 94 people. That does not include the premium price plan.

Mr. STEIN. None of this includes the premium price plan.

The CHAIRMAN. That is the allotment you are not talking about?

Mr. STEIN. That is right.

Mr. WIGGLESWORTH. You say on page 3 at the end of December you had 80 permanent, two WPB, 10 advisory board, and 9 from other agencies.

Mr. STEIN. That was the OWMR alone. This is the consolidated figure we are giving you.

Mr. WIGGLESWORTH. That is 101, and you just gave a lesser figure than that.

The CHAIRMAN. Ninety-four. That is as of January 31 and the other is as of January 1.

Mr. STEIN. That is right. We came down.

The CHAIRMAN. Do you have anything in the nature of a schedule of how you are going to do this thing?

Mr. STEIN. We are going to drop approximately 30 people during the coming month.

The CHAIRMAN. That will leave 60?

Mr. STEIN. That will leave approximately 60 people and we will go along on about that basis and liquidate quite completely near the end of the fiscal year.

ESTIMATE FOR TERMINAL LEAVE

The CHAIRMAN. You have the liability for terminal leave as \$54,000 and only \$125,000 for personal services. That looks like a pretty heavy proportion for that allowance in there.

Mr. STEIN. That is something over which we have no control. That is a legal obligation and we cannot cut it down.

The CHAIRMAN. It means the terminal leave would run half of what the pay runs?

Mr. STEIN. That is right. That is a legal liability. These are people who worked all during the war and did not get vacations and have accrued terminal leave. They have it coming to them and we cannot tell them they cannot have it.

The only way we can avoid that obligation is for them to transfer to other Government jobs and take their leave with them; but we cannot make them do that, nor do I think it is proper that we should try.

The CHAIRMAN. That means \$500 a piece, average, for terminal leave in that set-up.

Mr. STEIN. I have not calculated that.

NEED FOR FUNDS ESTIMATED FOR OFFICE OF ECONOMIC STABILIZATION

The CHAIRMAN. And you have in that other set-up \$99,515. What are you going to do with that money?

Mr. STEIN. That is the OES. I think we calculated that as \$69,515 and therefore suggest recommending a rescission of \$30,000.

The CHAIRMAN. Why do you need as much as the \$69,000?

Mr. STEIN. Well, the details are laid out there—\$32,000 is for personal services and the other services as indicated, and part of that "07" is reimbursement to OWMR. Almost half of it is reimbursement to the OWMR appropriation. There are very few people on the OES pay roll.

The CHAIRMAN. This is an item on economic stabilization.

Mr. STEIN. That is right.

The CHAIRMAN. Rather than the wage plan.

Mr. STEIN. That is right. On the wage plan, the Advisory Board, under whose direction that wage plan has been directed, had a meeting quite recently, since the submission was made, and at that meeting they indicated what their desires were for the completion of the report. As a result of their decision, all of the employees except three, on the guaranteed wage plan have been dismissed. They are off now. Those three will be there for approximately 2 months in order to see the manuscript through the Printing Office and to send out copies to people who have requested them and do the final clean-up on the budgets, and so forth. At any rate, it will not take them the full 2 months. We do not know exactly how long the Government Printing Office will take to do the job; therefore, we are allowing 2 months to make sure they will be there to clean the job up.

The CHAIRMAN. That means there should be some rescission there.

Mr. STEIN. That is all taken account of and that is why there is a rescission available of \$16,000. That is on top of the \$30,000 of the OES appropriation. Insofar as those people go to other jobs in the Government, our liability for terminal leave would be decreased and, of course, there would be an available amount, but that cannot be predicted.

The CHAIRMAN. Is there any rescission in sight on the first item?

Mr. STEIN. No; there is no rescission in sight. Let me explain this: The guaranteed wage study is a totally separate thing.

The CHAIRMAN. I understand.

Mr. STEIN. OES and OWMR are run as a single operation. They are very small and the only efficient way of running them so that people do not sit around waiting for word to come from other agencies to get busy on their jobs is to run them as a unit. Therefore, it would be just a bookkeeping transaction if you tried to show a rescission in both OWMR and OES. The total rescission, as we point out in this table, for the two agencies combined, is shown in the figure of \$30,000.

The CHAIRMAN. That involves a \$10,000 less transfer from OES to OWMR than was originally contemplated?

Mr. STEIN. That is right.

The CHAIRMAN. Why would not there be \$40,000 instead of \$30,000?

Mr. STEIN. \$5,000 of the difference represents additional transfers under the executive order. We have taken the total number of employees who are involved in the two agencies together and the total amount we need to carry the thing out, taken as a unit, and added all of the figures together. And we find out that we can get along with the figures I have estimated by consolidating employment on a basis that will leave \$30,000 as available for rescission. That could be split in any way you like between the two agencies, because they are run as a unit.

The CHAIRMAN. And are not included in the budget?

Mr. STEIN. They are not included in the budget at all.

The CHAIRMAN. You are sure you cannot give us a rescission in that first item of 198 on top of that?

Mr. STEIN. No, sir; we cannot. We can show a rescission there and reduce the rescission in OES, but I do not think it makes any sense. I think \$30,000 is as far as we can go.

The CHAIRMAN. How many people do you expect to wind up with?

Mr. STEIN. The number of people we expect to wind up with is zero. All the people who remain on the last day of May will be given separation notices on the last day of May, to take effect the 30th of June.

NUMBER OF PERSONNEL

Mr. WIGGLESWORTH. Do I understand you have 94 people now in this set-up we are talking about, plus 60 somewhere else?

Mr. STEIN. Plus 60 in the premium price plan.

Mr. WIGGLESWORTH. What is going to happen to those 60 people?

Mr. STEIN. Those 60 people will stay at something like that level. I think there may be a small saving there, but it will be in the nature of half a dozen people.

Mr. WIGGLESWORTH. Until when?

Mr. STEIN. They are required to continue that work until June 30. In fact, provision will have to be made after June 30 for the liquidation of that job.

Mr. WIGGLESWORTH. So that you have 154 people all told now. How does that compare with the peak you had in wartime?

Mr. STEIN. It is rather hard to compare, because the functions are different.

Mr. WIGGLESWORTH. You have two offices—the OES and OWMR.

Mr. STEIN. That is right.

Mr. WIGGLESWORTH. What was the peak in those two offices?

Mr. STEIN. We have an extra 60 now, besides.

Mr. WIGGLESWORTH. Was not that in the department then?

Mr. STEIN. No; it has just been added by General Fleming.

General FLEMING. They were all in OPA and CPA.

Mr. STEIN. We now have 94 in OWMR, OES, and the wage study. On July 31, last, there were 143 in OWMR and OES alone.

Mr. WIGGLESWORTH. That was the peak?

Mr. McCLURE. No. The peak was slightly more than that.

Mr. STEIN. It was around 170, as I remember.

Mr. McCLURE. It was 170 at the top.

Mr. STEIN. I have not included in those latter figures the people who were on the guaranteed-wage study, and the Office of Contract Settlement, because they do not appear now in these figures.

TRANSFER OF PERSONNEL

Mr. WIGGLESWORTH. I understood you to say that some of your personnel had been transferred to the White House.

Mr. STEIN. Yes.

Mr. WIGGLESWORTH. How many of those 144 are now carried on the White House roll?

Mr. STEIN. Of course that was a July 31 figure. On December 12, the date of the Executive Order, 6 persons were transferred to the White House office; 7 were transferred to the President's Scientific Research Board; 14 were transferred to the Office of Government Reports; and 20 engaged on contract settlement work were transferred to the Treasury Department, out of a grand total on that date of 1,491. We expect a further transfer of three employees to the White House.

Mr. WIGGLESWORTH. So that your whole reduction is simply a transfer?

Mr. STEIN. The reduction is almost entirely a transfer.

Mr. WIGGLESWORTH. You show an apparent reduction of 50; but, as a matter of fact, all you have done is to transfer them either to the President or to Treasury?

Mr. STEIN. Since December 12 we have separated eight people. The big reduction is coming this month, when approximately 34 people will go.

Mr. WIGGLESWORTH. But that is a fact, is it not?

Mr. STEIN. Yes; that is entirely right.

PERSONNEL AND FUNCTIONS IN FERTILIZER PROGRAM

Mr. STEFAN. Mr. Stein, how many people do you have working on this fertilizer business?

Mr. STEIN. Mr. Stefan, as I explained before, we do not keep people full time on any job. I have had, in addition to the work I have put in on it myself, which has been fairly considerable—

Mr. STEFAN. It is for the purpose of getting more fertilizer for the United States, or getting more fertilizer for foreign countries?

Mr. STEIN. Both. It is increasing the world supply of fertilizer and, in doing that, we have helped both the United States and foreign countries.

Mr. STEFAN. What did you have to do in setting up the fertilizer plants in these surplus defense plants, if anything? Did you have anything to do with that?

Mr. STEIN. Yes, sir; I did have something to do with that.

Mr. STEFAN. Tell us about that. How was it done and what was the purpose of it?

Mr. STEIN. Over a year ago, when it became apparent there would be a shortage of fertilizer—I am thinking particularly of nitrogenous fertilizer—the Office of War Mobilization established the general policy that the Government munitions plants, that were capable of making nitrogen fertilizer, should be used to the maximum extent

possible. As a result, we pressed the Surplus Property Administration and later the War Assets Administration to dispose of plants to private industry, to get going and make fertilizer for this country. A total, I believe, of five plants were disposed of by sale or lease and all but one are in full operation, and the last one will come into full operation about May.

That left a number of plants that were not picked up by private industry. There were four plants, including one enormous plant at Morgantown, W. Va. The War Department had a very serious problem in connection with work in occupied areas. They were sending over large quantities of food and wanted to get out from under and save the United States money and, in order to do so, they had to increase the production of food abroad in the occupied areas.

Mr. STEFAN. And they figured by sending fertilizer they would be able to raise sufficient of certain foods over there that they would not have to ship it?

Mr. STEIN. That is exactly right.

Mr. STEFAN. As a matter of fact, you testified before the House Committee on Agriculture?

Mr. STEIN. Yes; I testified there day before yesterday.

Mr. STEFAN. Someone informed us those plants, after having been opened up for manufacturing fertilizer, are not working to capacity because they cannot get boxcars.

Mr. STEIN. It is not boxcars; it is tank cars.

Mr. STEFAN. Now, the farmers are wondering, in view of the fact this fertilizer—or whatever it is that is being made—is made in the location where the farmers need fertilizer—American farmers—why it would not be a good idea to let the farmers carry the fertilizer away to their farms in trucks and haul this other stuff overseas. Have you gone into that?

Mr. STEIN. I know the problem very well. I have spent a lot of time on it. The problem is this: the War Department, for security reasons during the war, set up an anhydrous-ammonia plant at one point, a nitrating plant where they convert anhydrous ammonia into solution in another place, and a graining plant where you turn the solution into fertilizer material at a third place. They need tank cars to carry the anhydrous ammonia, which is the product from the anhydrous ammonia plant, to the nitrating plant, and another type of tank car to carry the solution from the nitrating plant to the graining plant, where it is made into fertilizer. We have had no holding back because of the lack of boxcars, but because of the lack of tank cars.

Mr. STEFAN. You have had the boxcars to carry it from the fertilizer or chemical plants?

Mr. STEIN. That is right. They have moved all the fertilizer which has been made.

PRODUCTION OF FERTILIZER BY WAR DEPARTMENT

Mr. STEFAN. Now Ordnance runs these plants?

Mr. STEIN. They run four plants.

Mr. STEFAN. Do Ordnance themselves do the mechanical work?

Mr. STEIN. No.

Mr. STEFAN. Do they have a private contractor do the mechanical work?

Mr. STEIN. They have a private contractor in each plant.

Mr. STEFAN. How do they work—on cost plus?

Mr. STEIN. I do not know. I think it is cost-plus-a-fixed-fee.

Mr. STEFAN. Do you have anything to do with those contracts?

Mr. STEIN. We have nothing to do with the contracts. We approve the general policy and the program under which it is done.

Mr. STEFAN. You do not get into the mechanical program at all; that is all done by Ordnance?

Mr. STEIN. That is done by the War Department; yes, sir.

Mr. ENGEL. Before you leave that, let me ask: you mean the War Department under Ordnance is making fertilizer?

Mr. STEIN. Yes, sir; a great deal of it. And at the moment it is of peculiar interest because they borrowed fertilizer earlier in the year to ship abroad, and part of the production that is being made now is going to pay back what they borrowed, for the use of the farmers in this country. So I think it is a very desirable activity.

Mr. ENGEL. Well, the War Department has never said anything to me about the Ordnance Department making fertilizer. Where do they get the funds to operate with? Are they using War Department funds?

Mr. STEIN. Yes; they are using the funds for their occupied areas account. I cannot describe the appropriation in detail.

Mr. ENGEL. Are they using the \$350,000,000 that is given them to feed Europe?

Mr. STEIN. I think it would be wiser if I requested the War Department to furnish you with that information, rather than to try to give it to you in rather vague terms, as I would have to do.

General FLEMING. The Under Secretary, Mr. Royall, knows all about that.

Mr. ENGEL. I know, but it seems to me the members of the War Department Subcommittee, who are furnishing the money, ought to know something about it, too. I am just wondering about the policy of the War Department going out here and going into the fertilizer business.

Mr. STEIN. The basic reason was a very simple one. The War Department felt, for reasons I have just explained, it was extremely important to send fertilizer to their occupied countries for which they are responsible. At first they planned to buy that fertilizer. However, they found that if they bought the fertilizer they would be depriving American farmers of that amount of fertilizer, and there were these four plants that were not being put to use.

Mr. ENGEL. Chemical plants?

Mr. STEIN. Chemical plants.

Mr. ENGEL. Where are they located?

Mr. STEIN. One is located at Morgantown, W. Va.

Mr. ENGEL. That is the du Pont plant?

Mr. STEIN. Yes; operated by du Pont for the War Department, but where the Department owned the plant.

Mr. ENGEL. Is du Pont making fertilizer there now?

Mr. STEIN. I think they have another contractor in there now. It was du Pont.

Mr. ENGEL. What are the other plants?

Mr. STEIN. Then they have the so-called Ohio River plant, which is at Henderson, Ky., and they have the Missouri plant out in Kansas, I think, or Iowa.

Mr. STEFAN. Are they making it at the Mead, Nebr., plant, and also the Grand Island plant?

Mr. STEIN. They have four anhydrous-ammonia plants; they have several nitrating plants and several graining plants that they are using.

Mr. ENGEL. There is no money in here for that, is there?

Mr. STEIN. No, sir.

Mr. STEFAN. You are acting merely in an advisory capacity to Ordnance?

Mr. STEIN. Yes, sir; in a coordinating capacity.

Mr. ENGEL. They must be doing that under the language in the bill pertaining to this \$350,000,000 for foreign relief.

Mr. STEIN. I would rather not comment on that, because I think the War Department can give the details to you better.

NUMBER OF PERSONNEL AND FUNCTIONS CONCERNING HOOF-AND-MOUTH DISEASE PROGRAM

Mr. STEFAN. Now let us get to this hoof-and-mouth disease. How many people do you have working on that?

Mr. STEIN. So far—to give an illustration of the kind of thing that may come in there—all the time I have spent on that to date consists of two rather long meetings when two of my assistants sat in so that they can do some follow-up work. I am hoping, if the program goes well, that we can have a few more meetings and then we can forget it; but, if they run into snags, we will have to help them out.

Mr. STEFAN. This Department organization to eradicate or protect us from the hoof-and-mouth disease is working under one commission, is it?

Mr. STEIN. There was no other single place in the Government where they could go so each person could find out exactly what part of the job to do and how to go about it. For example, the head of the Bureau of Animal Industry will have a big responsibility in this. He is the keyman in it. Nevertheless, he was quite unfamiliar with how he would get priority assistance for the critical materials needed from CPA, or how to get surplus from War Assets, or help from the Army in transportation. In the course of this meeting, I explained how those various steps could be taken and how Army could cooperate.

Mr. STEFAN. Have they come to some decision as to how they are going to attack this problem?

Mr. STEIN. They have come to a partial decision. One of the elements involved is their fence along the border. That fence was authorized by Congress some time ago and will now be pushed.

Mr. STEFAN. Is that an extension of the border patrol fence?

Mr. STEIN. It will probably involve an extension of the border patrol activities. But the big job will be sending teams down into Mexico to help with the set-up there, or to see if an agreement can be worked out with the Mexican teams to do a real job of eradication like they do in this country, where they slaughter the cattle.

Mr. STEFAN. It is reported that about 2,000,000 animals in Mexico are affected with the hoof-and-mouth disease.

Mr. STEIN. It is tragic.

Mr. STEFAN. Have we a treaty with Mexico or an agreement with Mexico whereby we can go in there now and kill those animals?

Mr. STEIN. They have an underlying treaty with Mexico under which the details are being worked out. They have investigators down in Mexico, I think, right at this moment.

Mr. STEFAN. But there is a program of eradication?

Mr. STEIN. Yes.

Mr. STEFAN. How many people do you have working on this?

Mr. STEIN. As I say, at this date there is a total of about three members of my staff working on it.

Mr. STEFAN. Simply in an advisory capacity?

Mr. STEIN. In a coordinating capacity.

Mr. STEFAN. You are the coordinator in this program?

Mr. STEIN. That is right.

PERSONNEL TRANSFERRED FROM OTHER AGENCIES

Mr. STEFAN. In all of your activities, Mr. Stein, do you draw on other agencies of the Government?

Mr. STEIN. The operating job is done by the operating agency, like the fertilizer program. We do not run a single plant; we do not run a single tank car, but we work out agreements and then they do the job.

Mr. STEFAN. Do you have employees from other agencies to help you in your work?

Mr. STEIN. We have a few on detail. We have had 10 employees detailed to us, and now have 5.

Mr. STEFAN. From what department?

Mr. STEIN. Mostly from CPA.

Mr. STEFAN. You have none from Commerce or Treasury?

Mr. STEIN. We have two or three from Agriculture.

Mr. STEFAN. Two from Agriculture, is it not?

Mr. STEIN. That is right. We have one from OPA and two from CPA.

Mr. STEFAN. Are they the only other people working in your agency?

Mr. STEIN. That work full time with us.

Mr. STEFAN. And you reimburse those other agencies?

Mr. STEIN. Those are on a nonreimbursable detail.

Mr. STEFAN. I have no further questions.

EMPLOYMENT LOAD AND PERSONNEL TRANSFERRED TO OTHER AGENCIES

Mr. WIGGLESWORTH. I would just like to put in the record this table which shows the transfers from OES or OWMR to the staff of the President or Treasury Department, and also the table of employment.

(The matter above referred to is as follows:)

Transfers under Executive Order 9809

Organization transferred to—	Personnel	Funds
Completed:		
Executive Office of the President, White House Office.....	6	\$29,300
Executive Office of the President, President's Scientific Research Board.....	7	100,000
Executive Office of the President, Office of Government Reports.....	14	70,000
Treasury Department, Office of Contract Settlement.....	20	60,000
Subtotal.....	47	159,300
Anticipated:		
Executive Office of the President, White House Office.....	3	6,000
Treasury Department, Office of Contract Settlement.....		15,000
Subtotal.....	3	21,000
Total.....	50	180,300

¹ Allocation from emergency fund for the President for expenses of the President's Scientific Research Board not included in totals.

Employment

	Total	OWMR	OCS	OES	GWS
June 30.....	163	108	33		22
July 31.....	197	114	30	29	24
Aug. 31.....	173	111	30	8	24
Sept. 30.....	164	107	25	9	23
Oct. 31.....	158	105	21	9	23
Nov. 30.....	152	101	20	9	22
Dec. 31.....	102	70		9	23
Jan. 31 (estimated).....	94	60		9	25
Feb. 28 (estimated).....	66	53		10	3
Mar. 31 (estimated).....	66	53		10	3
Apr. 30 (estimated).....	63	53		10	
May 31 (estimated).....	63	53		10	
June 30 (estimated).....	63	53		10	

Mr. CANNON. Mr. Stein, on your agency devolves the responsibility for tying up the loose ends of a great many wartime activities which are being liquidated and terminated and which are completing the duties entrusted to them during the war?

Mr. STEIN. That is correct, Mr. Cannon.

Mr. CANNON. In doing that, instead of establishing new agencies with new personnel, you have taken over personnel and the records of the various agencies whose duties you have assumed inasmuch as they are required, using those that you needed and dismissing the rest as it becomes possible to reduce your force?

Mr. STEIN. Yes, sir.

ADMINISTRATION OF LIQUIDATING ACTIVITIES AFTER JUNE 30, 1947

Mr. CANNON. You have already reduced all of them and will continue that until the closing of your work, which will be about when?

Mr. STEIN. The office goes out of existence on the 30th of June.

Mr. CANNON. Will there be any of these activities still requiring attention after that time?

Mr. STEIN. There will be some. There will be some liquidating jobs. For example, the premium price plan goes through June 30, and the final payments will have to be made and the final determinations of the amounts due subsequent to June 30; because they will

be payable for the period ending June 30. Similarly, there are other liquidating activities that will have to be carried out by someone with a very small number of people after that time, including, for example, the completion of the final reports.

Mr. CANNON. Will that be transferred to some other agency?

Mr. STEIN. That will be taken care of to some extent, I think, by the White House itself, which will take responsibility for handling some of the coordination work, and most of the liquidation work will be handled by the OTC central office.

General FLEMING. That will be handled by the OTC central office, because, if Congress should discontinue the premium price plan prior to June 30, it might be possible to liquidate it completely by that date.

Mr. CANNON. That is a routine duty of the control office.

General FLEMING. That is correct.

Mr. STEIN. No further appropriation for OWMR is being requested.

Mr. CANNON. In the meantime, the work which you are handling is statutory, is required by law, and you are acting under Federal statutes?

Mr. STEIN. Yes, sir.

Mr. CANNON. And congressional orders?

Mr. STEIN. Yes; we are.

Mr. CANNON. Could your office be discontinued sooner than the date you have named?

Mr. STEIN. It cannot be if the statutory responsibilities are to be fulfilled.

Mr. CANNON. And to do so would have what effect?

Mr. STEIN. Well, among other things, it would have the effect of depriving citizens of the United States of payments which are rightly due them under the laws which Congress passed.

Mr. CANNON. In the meantime, if you carry on your work as required, your funds on hand will be sufficient to carry you how far?

Mr. STEIN. We have funds on hand to carry us through to June 30, with the rescissions we have recommended of \$16,000 in the guaranteed wage appropriation and \$30,000 in the OES appropriation.

Mr. CANNON. And those rescissions will include all of your surplus funds?

Mr. STEIN. Yes, sir; they will.

Mr. CANNON. There is nothing else that could be added to that amount for rescission?

Mr. STEIN. Not without crippling the work of the agency.

FERTILIZER PRODUCTION BY WAR DEPARTMENT

Mr. CANNON. I was interested in the discussion of the fertilizer work of the War Department. When our armies invaded enemy countries and when they released Allied countries from enemy domination, they found vast populations without food or without resources, the most of it as a result of enemy action but part of it as a result of our own action. For example, in Italy there were vast areas and large populations which had been devastated not only by enemy forces but by our own forces necessarily in carrying on their successful campaign, and it was universally conceded it was a part of the obligation of our armies, as they took possession of those countries and those people, at least to avoid wholesale starvation.

As I recall it, the American Army in Italy has contributed in excess of \$100,000,000—I believe \$120,000,000—in Army stores for that purpose. By the same token, we have large obligations all over the world to prevent wholesale starvation of large populations: So it developed naturally as a tremendous part of this responsibility that, instead of feeding those people gratuitously, we should enable them to produce their own food, thereby making them self-sustaining. And to that end, we transported over there large quantities of machinery, as I understand it. Then we found it was not only necessary to supply machinery but fertilizer on those depleted agricultural lands which had been cultivated for 1,000 years. The fertilizer was as essential as farm machinery. So we supplied both farm machinery and fertilizer as the alternative to transporting food at a heavy cost.

That program has been successful, has it not; large areas with large populations having been made self-sustaining in the production of food?

Mr. STEIN. Yes. They have shown great improvement, although they still have great difficulties, as you know.

Mr. CANNON. And fertilizer is still essential as an alternative to sending over the food itself?

Mr. STEIN. It is desperately needed. I have seen cables from General MacArthur and General McNarney in which they put their needs for fertilizer in the strongest possible terms.

Mr. CANNON. At the same time, our farmers over here, especially in the central west, and I know out in my part of the country, are desperately in need of fertilizer. We cannot secure fertilizer out there. The War Department, instead of depleting our domestic supply from the already developed sources of fertilizer in this country, has not only encouraged private industry to produce at top speed and maximum capacity of their plants, but also has utilized these plants which were making explosives and other war materials by transforming them, with very little trouble, into plants producing fertilizer to supply this foreign demand. Is that the situation?

Mr. STEIN. That is exactly the situation.

Mr. CANNON. Has there been any complaint as to the efficiency of your administration in the short time you have been in charge of these remaining programs which have been turned over to you?

Mr. STEIN. No; I do not think so, Congressman. I do not recall any.

General FLEMING. Maybe I had better answer that and say there has been none.

Mr. MAHON. Mr. Stein, I am rather impressed with your testimony and your grasp of the problems of your office. How long have you been with this agency?

Mr. STEIN. Well, I have been with this agency and the predecessor agency since a year ago in May. It is going on 2 years now.

Mr. MAHON. What is your background?

Mr. STEIN. Well, I have been in the Government for almost 13 years and have had my principal experience in the Government.

Mr. MAHON. In what branches of the Government?

Mr. STEIN. I have been around a good deal. I was with UNRRA part of the time before I came with this agency. Prior to that I was with the Foreign Economic Administration and I was in Algiers for 7 months during that time. Earlier, I was with the War Production

Board and its predecessor agency, with the Department of Labor, and other Government agencies.

PROBLEM OF HOOF AND MOUTH DISEASE

Mr. MAHON. Now, just a brief question about the hoof and mouth disease. Being from Texas, I am vitally interested in this thing. Did it develop at these conferences that an appropriation of Federal funds might be required?

Mr. STEIN. Yes there may be some further appropriation of Federal funds needed and the various agencies concerned are calculating what they have to spend and what they need, and, if they need it, they will present the material in an appropriate form with recommendations to the Congress. Certain legislation is needed by the International Boundary Commission to facilitate their work, principally in building fences. I understand legislation has already been introduced in both the House and Senate on that, and it is hoped early consideration will be given to that.

Mr. MAHON. As the coordinator in this thing, can you assure the Congress that the executive branch of the Government is moving out on this thing to meet this menace?

Mr. STEIN. I can assure you we are on top of it and are going to do our best. I think it is only fair to point out, however, that we are working with the Government of Mexico, must work with the Government of Mexico, and we have to work in a cooperative way with them. We cannot give them orders.

(After discussion off the record:)

Mr. WIGGLESWORTH. That is all, gentlemen. Thank you very much.

MONDAY, FEBRUARY 10, 1947.

TREASURY DEPARTMENT

DIVISION OF DISBURSEMENTS, BUREAU OF ACCOUNTS

STATEMENTS OF R. W. MAXWELL, COMMISSIONER OF ACCOUNTS, DIVISION OF DISBURSEMENT; E. J. BRENNAN, CHIEF DISBURSING OFFICER; P. D. BANNING, ASSISTANT CHIEF DISBURSING OFFICER; J. C. CANNON, ASSISTANT TO THE CHIEF DISBURSING OFFICER; J. R. LEE, ADMINISTRATIVE ASSISTANT; AND R. E. SMITH, BUDGET OFFICER

SUPPLEMENTAL ESTIMATE FOR 1947

The CHAIRMAN. We are taking up this morning a supplemental estimate for the Division of Disbursements, submitted in House Document No. 63, in the sum of \$3,520,100. The appropriation for this current year was \$6,275,000. As I remember the estimate for next year, it is about \$11,000,000.

Mr. Maxwell, are you going to handle this?

GENERAL STATEMENT

Mr. MAXWELL. I will make a general statement, Mr. Taber, and then Mr. Banning, who is the Assistant Chief Disbursing Officer and who takes over the Division as Chief Disbursing Officer on the retirement of Mr. Brennan at the end of this month, will furnish the details.

As you know, the Division of Disbursements makes payments for all of the civil establishments of the Government except for the Panama Canal, the Post Office Department, and the United States marshals, and the amount mentioned of \$6,275,000 appropriated for the fiscal year 1947, together with the deficiency to cover the increase in salaries under Public, 390, will process about 111,000,000 items or payments during the fiscal year 1947; but the most recent estimates show we will have around 159,000,000 items to be processed during the fiscal year 1947, the expenses of which will be paid from this appropriation. To date we have processed in excess of 80,000,000 items and estimate our funds will practically be exhausted by the middle of this month.

The CHAIRMAN. On that basis, you do not need as much money as this estimate calls for, then.

BASIS FOR SUPPLEMENTAL ESTIMATE

Mr. MAXWELL. Yes; I think we do. The cost figure per item is around 6.57 cents per item and, on that basis, we will need \$3,520,100. That \$3,520,100 includes not only the basic salary rates, but also includes the overtime salary rates which will be necessary in connection with the tax refunds which are coming up in the next few months; as a matter of fact, they are right now. That is one of the major items of the increase.

The CHAIRMAN. Well, let us see. I guess I was right. You told us the appropriation would carry you up to 111,000,000 items out of 159,000,000.

Mr. MAXWELL. Yes, sir.

The CHAIRMAN. \$2,712,000 is what it figures.

Mr. MAXWELL. In the computation, Mr. Taber, you have to add to the \$6,275,000 the deficiency which will come up in connection with Public, 390.

The CHAIRMAN. You told us that would take care of that.

Mr. MAXWELL. No, sir.

The CHAIRMAN. And allowing you had 111,000,000 items——

Mr. MAXWELL. What I meant to say, if I did not make myself clear, was that the \$6,275,000 after making adjustment for the amount to cover the increase in salary under Public, 390, which will be \$762,900, would be sufficient for the 111,000,000 items.

The CHAIRMAN. That is what I understood.

Mr. MAXWELL. That is right.

The CHAIRMAN. That means the 111,000,000 items would be covered with the money you have already.

Mr. MAXWELL. Except for the \$762,000. We do not have that yet; that is to be included, I understand, by the Budget Bureau, in a submission to your committee.

The CHAIRMAN. Well, is that included now?

Mr. MAXWELL. Not in the \$6,275,000.

The CHAIRMAN. Is it included in the \$3,520,100?

Mr. MAXWELL. No, sir; that is a separate item. I understand the Budget Bureau is sending that item up.

The CHAIRMAN. What percentage of the total does the money run for the increased pay of the new ones that go in?

Mr. MAXWELL. Included in that \$3,520,100?

The CHAIRMAN. Yes.

Mr. MAXWELL. I believe that includes 14 percent increased in the Division of Disbursements.

Mr. BANNING. That is true.

The CHAIRMAN. Is the pay increase included in the new figure?

Mr. MAXWELL. It is included in the \$3,520,100; that is correct, but not in the \$6,275,000.

The CHAIRMAN. But not in the old?

Mr. MAXWELL. That is correct.

The CHAIRMAN. You mean you have to have the extra money in that for the pay increase, anyway?

Mr. MAXWELL. That is correct; yes, sir. As I understand, the Bureau of the Budget has already transferred or is in process of sending up to you gentlemen the increase for all of the Government agencies including the Treasury and the amount for this appropriation covering increases in basic salary.

ITEMS PROCESSED DURING CURRENT YEAR

The CHAIRMAN. I understand that. How many of these items did you process to the first of the year?

Mr. SMITH. The total items processed through December 31 for this year were 68,654,710, which does not include an anticipated 30,500,000 income-tax refunds which we will process starting in January and continuing through the balance of the fiscal year 1947.

The CHAIRMAN. You said 30,000,000 tax refunds?

Mr. SMITH. 30,500,000 income-tax refunds.

The CHAIRMAN. In your justifications you state 23,000,000. I wonder how you get that way.

Mr. SMITH. Well, we have sufficient funds to cover a part of that.

The CHAIRMAN. How many did you have last year?

Mr. SMITH. We had in excess of 30,000,000 last year on the 1945 refund program.

The CHAIRMAN. And how many did you estimate for this year? You made up some figures which you submitted to the committee last year as to how many items you were going to have to handle.

Mr. MAXWELL. That is right. You may recall that last year we estimated for this year around 30,000,000 items. However, because of the acceleration of the tax-refund program, we transferred \$825,000 from the current year appropriation to the 1946 appropriation to take care of that accelerated program, which left in this appropriation \$450,000 for tax refunds to be processed in 1947, which will take care of 7,118,300 items. That leaves in, for which additional funds are being requested, 23,381,000 tax refunds.

The CHAIRMAN. How do you know you are going to have any such number as that?

Mr. MAXWELL. We know we had in excess of 30,000,000 last year, and the Bureau of Internal Revenue has advised us—we have a letter

here from them—that we will have 30,500,000 in 1947. As a matter of fact, informal advice comes from them that it will be in excess of that figure. We do not know how much; we hope not too much. Nevertheless, they indicated it would be more than the official figure they gave us when these estimates were made up.

COST PER ITEM

The CHAIRMAN. How much does it cost you per item to handle these things now?

Mr. BANNING. May I begin with the fiscal year 1946 and work through our costs to 1947? I think some of the confusion regarding the amount required in the deficiency can be cleared up, if I can pursue that course.

The CHAIRMAN. Go on and give us the figures. How many did you process in 1946?

Mr. BANNING. In 1946 we processed 146,730,244 items at a total cost of \$8,321,402. The over-all unit cost was, therefore \$0.05671225 or, roughly speaking, 5½ cents per item.

The CHAIRMAN. 5½ cents per item; is that right?

Mr. BANNING. Yes, sir. For the fiscal year 1947, the Division of Disbursements received an appropriation of \$6,275,000 with authorization in the appropriation act to receive by transfer of funds the sum of \$776,569, which will make a total of \$7,051,569. The increased demands upon the Division of Disbursements because of the additional volume of work scheduled to be performed, as hereinafter explained, will result in an anticipated deficiency of \$4,283,000. Of this amount, \$762,900 is attributable to the cost of the basic salary increase under Public Law 390, Seventy-ninth Congress, that amount being requested in a separate appropriation, and the remaining deficiency of \$3,520,100 being the instant deficiency transmitted for consideration in the President's letter of January 24, 1947. As pointed out in the letter from the Director of the Bureau of the Budget, the funds available for the Division of Disbursements were appropriated on the basis of a work load for the fiscal year 1947 which provided for processing 111,247,900 items. This latter amount was exclusive of 13,397,880 items to be processed from transferred funds.

The number of checks to date and the remaining checks to be issued, together with the estimated number of tax refund checks that will be paid during the third and fourth quarters, have far exceeded the original estimate. The contemplated work volume from appropriated funds is 159,073,813 items for the fiscal year 1947. In addition to this figure, there will also be the 13,397,880 items to be processed from transferred funds, which will bring the total work load up to 172,471,693 items.

The CHAIRMAN. Where do you get the rest of that money?

Mr. BANNING. We require \$3,520,100 for the additional volume of work and a further sum due to Public Law 390 of \$762,900. Our costs for the year 1947 will be higher than for the year 1946.

The CHAIRMAN. How much higher will they be?

Mr. BANNING. The estimated unit cost in 1947 is \$0.06571843. It is 15.88 percent higher than in 1946.

INCREASE IN OPERATING COSTS

The CHAIRMAN. Your costs have gone up more than your pay increase?

Mr. BANNING. Yes, sir.

The CHAIRMAN. Why is that?

Mr. BANNING. Operating expenses have gone up in all fields of our work. Wages, supplies, and most miscellaneous expenses have increased. Under Public Law 390 a general increase was granted to Federal employees effective July 1, 1946. A study made of the pay roll in July showed that salaries had increased 14.39 percent. The average of 14.39 percent in our case is somewhat higher than the general average, because we have a large number of employees in grade 2 where the increase was \$250. That brought up our labor cost an average of 14.39 percent.

The prices of supplies have increased far more than salaries, and they are continuing to increase. For example, the largest item of our supplies, envelopes for mailing checks to payees, which accounts for more than half of our supplies, has gone up 48 percent over the 1946 base; mimeograph paper has gone up 36 percent; Addressograph plates have gone up 25 percent; and drawers for filing Addressograph plates, of which we use quite a number, have gone up 38 percent. We figured the average increase in cost of supplies would amount to about 21.28 percent. That was very conservative.

Other operating costs have likewise increased. For example, adding machines are up about 34 percent; Addressograph machines, 22 percent; and typewriters, 10 percent. More particularly, the Division of Disbursements has had to incur heavy expense in regard to the rental of space. Prior to and during the early years of the war we were housed mainly in Federal buildings, but the expansion of our operations forced us out.

RENTAL OF SPACE

The CHAIRMAN. Since when have you had to go into outside space?

Mr. BANNING. About 40 percent of our activities are in outside space.

The CHAIRMAN. Since when; when did you move?

Mr. BRENNAN. In the early part of the war we had to give up space to the Army and Navy.

The CHAIRMAN. Well, you can go back now, can you not?

Mr. BRENNAN. No, sir.

The CHAIRMAN. Have you talked to Mr. Reynolds about that?

Mr. BRENNAN. We took it up through Public Buildings.

The CHAIRMAN. You had better take that up with Mr. Reynolds and report back, because I had him up here 3 or 4 days ago to talk about this picture and he is liquidating a lot of that rented space and getting the people back into Federal buildings, according to what he tells us. So you take it up with him and report back here, because I want to know if that is not so.

Mr. MAXWELL. I might say we would prefer to be in Federal space, because of the guard protection.

The CHAIRMAN. Well, you heard what I said about it. I do not want the picture 4 or 5 months old; I want it up to date.

Mr. BANNING. We have the picture up to date.

The CHAIRMAN. I want you to take it up with Mr. Reynolds and report back to the clerk on that; take it up when you get through here this morning.

Mr. MAXWELL. We will be glad to do that, because, as I say, we would like to be in Federal space if we can get it.

The CHAIRMAN. I do not see why you should not be. There is no reason at all, so far as I can see from what Mr. Reynolds told us.

(The following was submitted later:)

Following the above direction from the chairman, the chief disbursing officer contacted the Assistant Commissioner of Public Buildings (in the absence of the Commissioner) and discussed the question of providing space in public buildings for the Division of Disbursement. He was advised that the question would be looked into immediately.

After reporting the result of the meeting to the chairman of the committee, at his suggestion, the Assistant Commissioner of Public Buildings was advised, that in view of the urgency of the situation, a report, even though tentative, as to what the outlook was with respect to space which could be furnished to the Division of Disbursement, should be made to the committee not later than 10 a. m., February 13.

The request of the Treasury was confirmed by letter from the administrative assistant to the Secretary which was handed to the Assistant Commissioner, as follows:

February 11, 1947.

Mr. W. E. REYNOLDS,
Commissioner of Public Buildings,
Public Buildings Administration, Washington, D. C.

DEAR MR. REYNOLDS: During the hearing before the Committee on Appropriations of the House of Representatives on a request of the Division of Disbursement, Bureau of Accounts, Treasury Department, for a deficiency appropriation, members of the committee inquired why the Division occupied rented space rather than being housed in Federal buildings. The Division replied that it was constantly endeavoring to get into Government-owned space, not only for the purpose of reducing its expenditures, but also that it has always felt that because of the nature of its work, that of handling large amounts of cash and checks, it should be housed in Government-owned or controlled and guarded buildings. Mr. Taber, the chairman, closed the discussion with instructions that we immediately get in touch with you regarding the rented space situation of the Division, and to report immediately to the clerk of the Appropriations Committee the result.

For your convenience, there are listed below the offices of the Division that are located in rented space. Those marked with an asterisk are sublet from the Public Buildings Administration, whereas in the other cases the leases are with the owners. Those marked with two asterisks are leased partly from the Public Buildings Administration and partly from the owners.

Regional office	Square feet	Cost per square foot
*Atlanta, Ga., 10 Forsyth St. building.....	23,381	\$1.25
*Birmingham, Ala., 2225 3d Ave. North.....	13,694	1.61
Chicago, Ill., Merchandise Mart.....	35,017	1.12
*Columbus, Ohio, 68 and 58 Gay St.....	10,787	1.25
Denver, Colo., Insurance Bldg., 831 14th St.....	5,546	1.25
Manila, Philippine Islands, 215 Dasmarinas St.....	3,660	2.03
*New York, N. Y., 2 Park Pl.....	5,277	
Philadelphia, Pa., Gimbel Bldg.....	17,033	1.30
*Richmond, Va., Schmidt Bldg.....	9,699	1.50
San Francisco, Calif., 417 Market St.....	8,593	1.51

The rented space occupied in Washington, D. C., is entirely under the control of your Administration.

In view of the foregoing, it will be appreciated if you can advise what space in Federal buildings can be provided to house the Division of Disbursement during the balance of the current fiscal year. Also any information as to availability of

such space during the next fiscal year for the Division of Disbursement will be appreciated.

Very truly yours,

WM. W. PARSONS,
Administrative Assistant to the Secretary.

Mr. BANNING. We feel that disbursing is a function which should be given priority in Federal space, because of the protection afforded in such quarters, the convenience of location, and also resulting in decreased costs.

We had 42 percent increase in our volume of business.

The CHAIRMAN. When?

Mr. BANNING. For the fiscal year 1947, over the 111,000,000 base to 159,000,000, which, I believe, is about a 42-percent increase.

PERCENTAGE INCREASE IN UNIT COSTS

Going back for a moment, we figured that other operating costs including rentals and including new equipment would make up about 25-percent increase in costs. If you take those figures, I believe that you will find they make up the difference between the cost of \$0.0567 for the fiscal year 1946 and the cost of \$0.0657 cent for the fiscal year 1947.

The CHAIRMAN. Well, your over-all cost has gone up; your pay-roll figure is up——

Mr. BANNING. 14.39 percent.

The CHAIRMAN. On the other hand, this estimate is on the basis of more than 20 percent above the additional cost figure; it is practically a 30-percent increase.

Mr. MAXWELL. I believe this \$3,520,000 includes overtime which increases the unit cost by reason of the fact we have to pay time and a half for over 8 hours.

The CHAIRMAN. 30 percent is a pretty big figure.

Mr. BANNING. Possibly I misunderstood you. The increase in the 1947 unit cost over the 1946 base cost is only 15.88 percent.

DISCUSSION OF BASIS FOR SUPPLEMENTAL ESTIMATES

The CHAIRMAN. Now, let me tell you: If you could do 111,000,000 units with \$6,275,000, you ought to be able to do the extra 48,000,000 with \$2,712,000. Subtract that from the \$3,520,000 and you get \$808,000. Now, \$808,000 is practically 30 percent of the \$2,712,000. I do not know how you can get away from that.

Mr. BANNING. There is some misunderstanding. The net appropriation requirements for the fiscal year 1947 are \$10,558,000.

The CHAIRMAN. It is 30-percent increase in the base cost. I do not know how else you can figure. It is just plain arithmetic.

Mr. BANNING. The misunderstanding is that we cannot process 111,000,000 items for the figure of \$6,275,000. To the \$6,275,000 appropriation allowance, you would have to add the increase in pay of the employees, 14 percent; also the increased costs for overtime.

The CHAIRMAN. That increase in pay is in the deficiency; Mr. Maxwell told us he could do 111,000,000 items with that money, but would have to have a deficiency for the increase in pay. Now, I have figured that up and, on the same basis, I have 48,000,000 more at a

cost of \$2,712,000, and that means you are asking for \$800,000 in addition, which is 30 percent increase.

Mr. BANNING. There was some confusion in the original statement.

The CHAIRMAN. It is on the basis of 30 percent increase, instead of 14 percent.

Mr. MAXWELL. If I follow you, the 111,000,000 could be produced on the basis of last year's salary rate for \$6,275,000. I suppose that is what you figured in that computation.

The CHAIRMAN. Surely, that is what I figured. It looks to me like you had this stuffed a little bit.

Mr. BANNING. The \$6,275,000 would not be sufficient to process the 111,247,900 items for two reasons: the cost of salaries had gone up as of July 1, 1946; also the cost of supplies and services had gone up.

The CHAIRMAN. You told us that. You told us there would have to be a deficiency on account of the pay raise. I am not discussing that. But there is not any reason why there should be another deficiency in here.

Mr. MAXWELL. I think Mr. Banning can also compute from the other basis, using the 6.57 cent cost and multiplying that by the number of items involved, totaling 172,000,000.

The CHAIRMAN. Surely, but when you take in the pay, it comes to a 30 percent increase instead of 14 percent, which is the wage increase. If you can explain that, all right.

Mr. BANNING. I have a table here that might help you. It explains the increase in percentages.

The CHAIRMAN. That does not help me, because it shows the percent of the unit cost increase is 15.88 percent overall. That is supplies which are supposed to run into more money in proportion than the other, and here you have 30 percent instead of 15.88 percent, if that is the figure we ought to go by, which looks like 14 points velvet.

Mr. MAXWELL. This is the way we compute it: If you take 172,471,693 items and multiply it by 6.57 cents per item making a total of \$11,334,569 and deduct therefrom the \$776,569, received on account of transfers it will give you the figure which Mr. Banning has indicated he will need for the year of \$10,558,000. And from that, deducting the money already appropriated, that is, \$6,275,000, and the \$762,900, which covers the increase in salaries, would leave \$3,520,100 required for the balance of these items, representing the additional work load.

The CHAIRMAN. Well, Mr. Harvey has done it another way, so I will put that into the record. You said your deficiency in the pay act would be \$762,900.

Mr. MAXWELL. Yes, sir.

The CHAIRMAN. That added to the \$6,275,000 would make \$7,037,900, and that, divided by 111,000,000, would give us .0634 cent. That multiplied by the 48,000,000 would give us \$3,043,200, which is \$500,000 below your estimate.

Mr. MAXWELL. That difference is made up by the overtime figure of \$494,476, which is required to pay the time and a half compensation.

The CHAIRMAN. That does not show in these figures on costs that you have here.

Mr. MAXWELL. It is included.

INCREASE IN OVERTIME

The CHAIRMAN. Were not you paying overtime in the early part of the year?

Mr. MAXWELL. No, sir——

The CHAIRMAN. Why are you paying overtime now?

Mr. MAXWELL. We were paying some, but not to this amount. During the last part of the fiscal year, we have to take care of these tax refunds. That makes up the big peak in volume during that short time.

Mr. MAXWELL. I might say that during the last half of the fiscal year, because there is a heavy peak during the last 4 or 5 months to take care of the tax refunds, it is felt it is more economical to pay overtime than to obtain more space and equipment required to take care of more people during that period.

The CHAIRMAN. I believe I will put these tables in the record. I think they clearly establish the situation.

(The matter above referred to is as follows:)

Explanation of increase in unit cost in 1947 over 1946

Objects of expenditure	Actual 1946 unit cost	Increases in unit cost for 1947		Estimated 1947 unit cost
		Percent	Amount	
Personal services.....	\$0.04706017	14.39	\$0.00677196	\$0.05383213
Supplies.....	.00474359	21.28	.00100943	.00575302
All other.....	.00490849	25.00	.00122712	.00613561
Total.....	.05671225	15.88	.00900851	.06572076

The unit cost used in 1947, \$0.06571843.

Comparative statement showing work load and cost

Activity	Actual, 1946		Original appropriation, 1947		Revised estimate, 1947		Additional requirements, 1947	
	Items ¹	Cost ²	Items ¹	Cost ²	Items ¹	Cost ²	Items ¹	Cost ²
Veterans' Administration.....	44,434,747	\$2,337,815	60,988,100	\$3,858,304	83,608,000	\$5,289,316	22,619,900	\$1,431,012
Internal Revenue tax refunds.....	46,547,660	2,448,981	7,118,300	450,327	30,500,000	1,929,528	23,381,700	1,479,201
Social Security Administration.....	16,465,194	866,272	22,920,400	1,450,018	23,006,000	1,455,434	85,600	5,416
Regular agencies.....	16,288,655	856,984	13,829,500	1,001,425	17,568,213	1,111,420	1,736,713	109,995
War agencies.....	8,879,894	467,192	2,391,600	151,300	2,391,600	151,300	-----	-----
United States savings bonds.....	4,137,313	217,674	2,000,000	126,526	2,000,000	126,526	-----	-----
Overtime.....	-----	594,555	-----	-----	-----	494,476	-----	494,476
Direct appropriation.....	136,753,463	7,789,473	111,247,900	7,037,900	159,073,813	10,558,000	47,825,913	3,520,100
Add:	-----	-----	-----	-----	-----	-----	-----	-----
Transferring agencies:	-----	-----	-----	-----	-----	-----	-----	-----
Salaries and expenses.....	9,976,781	463,848	13,397,880	730,241	13,397,880	730,241	-----	-----
Overtime.....	-----	43,432	-----	41,672	-----	41,672	-----	-----
Reimbursements for details.....	-----	24,649	-----	4,656	-----	4,656	-----	-----
Grand total (work volume and cost).....	146,730,244	8,321,402	124,645,780	7,814,469	172,471,693	11,334,569	47,825,913	3,520,100

¹ Items as here reported include payments, collections, and savings bonds.² Cost includes all personal services and other obligations.

Average 1946 cost \$0.05671225 per unit (\$8,321,402 ÷ 146,730,244).

Average 1947 cost \$0.06571843 per unit (\$11,334,569 ÷ 172,471,693).

The higher cost in 1947 results from increases in pay (Public Law 390), increased cost of supplies, equipment, rentals, and contractual services.

NUMBER OF INCOME-TAX REFUNDS

Mr. ENGEL. Mr. Maxwell, you have here 30,500,000 income-tax items; is that right?

Mr. MAXWELL. Yes, sir.

Mr. ENGEL. Do you have more than one income tax item for one taxpayer?

Mr. MAXWELL. I do not believe so.

Mr. BRENNAN. No; not in the 30,000,000. The question is, Does an individual get two refunds; is that correct?

Mr. ENGEL. That is right.

Mr. BRENNAN. Not as a usual rule, unless there is some back tax return.

Mr. ENGEL. But, as a rule, there is only one refund to one taxpayer?

Mr. BRENNAN. That is right.

Mr. ENGEL. In the hearings before the Ways and Means Committee in 1945, the Internal Revenue Department testified they had 48,000,000 taxpaying individuals, not including some 60,000 or 70,000 corporations. They took 12,000,000 off of the tax roll by the 1945 bill, which left 36,000,000 taxpayers. Do you mean we are going to have 30,500,000 refunds out of 36,000,000 taxpayers?

Mr. BRENNAN. That is what we had last year. The estimates given to us for this year are 30,500,000, and probably will be more.

Mr. ENGEL. Are those the taxpayers for the year 1945?

Mr. BRENNAN. We are making 1946 refunds now.

Mr. ENGEL. This is for 1946?

Mr. BRENNAN. Yes, sir.

Mr. ENGEL. Which would include this 12,000,000 taxpayers which were taken off of the roll by the 1945 bill?

Mr. MAXWELL. That is right. As I understand, any time they have a strike, or any person who may be off of regular pay for a couple of weeks may involve a tax refund, since withholdings are made on the basis that the employee has worked for an entire year.

Mr. BRENNAN. It would include them; because, whether you make a refund or not, there is the withholding of his pay to cover the rates fixed in the tax schedule. The employer does not know at the time of the withholding whether the worker owes that much tax or not.

Mr. ENGEL. In other words, this 12,000,000 would be included in the request?

Mr. BRENNAN. Yes, sir.

Mr. ENGEL. And in these items are items of great numbers of people who had deductions made from their pay roll, but had to pay no tax?

Mr. BRENNAN. Yes, sir.

SAVINGS FROM PROMPT PAYMENT OF TAX REFUNDS

Mr. ENGEL. What is the average amount of interest that they pay? They pay 6 percent, do they not?

Mr. BRENNAN. They pay 6 percent.

Mr. ENGEL. What is the average amount of the refund?

Mr. BRENNAN. The average amount for last year was around \$48.

Mr. ENGEL. And what part of that was interest?

Mr. BRENNAN. You would have to get that from the Internal Revenue Bureau.

Mr. ENGEL. What I am trying to get at is this: Are many people overpaying in order to get that 6-percent interest rate?

Mr. BRENNAN. They could not in the withholding, because that is fixed—

Mr. ENGEL. I mean outside of the withholding.

Mr. BRENNAN. I have read in the papers that some are paying more, some of the people who are well to do.

As far as interest is concerned, last year the Bureau of Internal Revenue determined there was a saving of about \$15,000,000 by making these tax refunds promptly. Starting this year, the Department will save almost \$15,000,000.

Mr. ENGEL. In other words, you would save \$15,000,000 by making the tax refunds at once?

Mr. BRENNAN. Right away; yes, sir.

REDUCTION IN NUMBER OF INDIVIDUALS REQUIRED TO PAY TAXES

Mr. ENGEL. But your request includes these 12,000,000 individuals who are not required to pay any tax, but are having refunds made to them because of deduction of the pay-roll tax?

Mr. BRENNAN. It would include that proportion of the 12,000,000 who were employed and drawing salaries, and paying tax they did not owe.

Mr. CASE. Did I understand you to say there were 12,000,000 fewer tax returns this year than in the previous year? Mr. Engel, I think, said there was a reduction of 12,000,000 taxpayers, which would mean at least a reduction of 12,000,000 in the number of tax returns.

Mr. MAXWELL. The figures we have from the Bureau of Internal Revenue is they estimate 40,000,000 employees will have the tax withheld during the fiscal year 1947. I presume 1946 is approximately the same figure.

Mr. CASE. The reason I raise that question is I understood you also to say there were approximately 30,000,000 refunds last year and 30,000,000 refunds for the succeeding year, and the 30,000,000 in the first instance included the 12,000,000 who had a deduction automatically. So I was wondering why the figure for the refunds should stay at 30,000,000 if you have taken off 12,000,000 of those who made up the 30,000,000 in the first instance.

Mr. BRENNAN. As I understand it, the 12,000,000 were those who by law were relieved from making returns, but, in the meantime, their pay had been withheld by the employer and turned in to the Internal Revenue Bureau and, of course, as they were not taxable, they were made refunds of the amounts that had been withheld.

Mr. CASE. When do we get the benefit of their being stricken from the number of those who make tax returns—in the succeeding year?

Mr. MAXWELL. I presume that would be right. I do not know whether Internal Revenue has issued any change in the regulations or not; but, if it is effective this year, undoubtedly the tax would not be withheld during the current fiscal year, which would involve tax refunds for 1947.

Mr. CASE. Obviously, if 1 year you have 30,000,000 and that 30,000,000 included 12,000,000 who are being stricken from the tax

rolls, then in the succeeding year you should not have that 12,000,000 entering into the 30,000,000.

Mr. MAXWELL. That is right.

Mr. BRENNAN. In the meantime, while that 12,000,000 are not required to pay a tax or make a return, they are having their salaries or wages withheld by the employer and turned in.

Mr. CASE. For that 1 year?

Mr. BRENNAN. Yes.

Mr. CASE. But when they go off the tax roll, they should be eliminated.

Mr. BRENNAN. Yes.

METHOD OF HANDLING CREDITS FOR REFUND

Mr. CASE. It just happens that this morning I got in the mail a notice from the collector of internal revenue in my own State that they were holding a check for \$25 and some cents, being a refund which they found I was entitled to for some prior tax that I paid. I did not have the time to look up and see what it was, but this notice said at the bottom I should answer two or three questions and then send that back to them before the check would be available.

The thought occurred to me, as I did that, would it not be simpler for them to use a credit in the office of internal revenue on my succeeding year's tax and save some mailing and also save the actual cost of issuing a check.

Mr. MAXWELL. On the tax form, the taxpayer has the option either of receiving a refund or having it credited against his next year's tax. It is done in either way the taxpayer desires.

Mr. CASE. I just thought at the time there could be some motion saved, but I did not know this item was coming up.

Mr. ENGEL. If I may interrupt there, the fact is that the employer does not know always until the end of the taxable year whether or not that man has earned enough money to be taxable.

Mr. BRENNAN. That is right.

Mr. ENGEL. Until after they receive the return; is that true?

Mr. BRENNAN. Yes.

Mr. ENGEL. I think that is your difficulty.

Mr. CASE. That would be true, but when that notice comes through from the Bureau of Internal Revenue back to the collector of the district, it seems to me the collector could simply notify the party he had been allowed that much credit, and to take account of it when he made his return.

That is all.

Mr. KEEFE. Mr. Chairman, this break-down on page 11 of the justifications indicates that \$1,155,096 is requested for 592 full-time employees; that \$949,420 is requested for temporary employment equivalent to 486 full-time employees. Then there is an item of \$494,476 for overtime and \$15,240 for night-work differential.

EFFECT OF WORK LOAD UPON OVERTIME AND RENTAL OF EQUIPMENT AND SPACE

Now, in answer to the questions of the chairman, someone testified this appropriation indicated the necessity for paying this overtime was due to the fact it was thought to be cheaper than to rent additional

space and provide additional mechanical equipment to perform the service. Is that correct; did I so understand?

Mr. MAXWELL. That is one of the reasons.

Mr. BANNING. That is not the sole reason.

Mr. KEEFE. Well, that is the reason I heard given for the payment of overtime.

Mr. MAXWELL. Yes, sir; that is one of the reasons.

Mr. KEEFE. Now, I note in the justifications at the bottom of page 11 it is said about 40 percent of regional offices are housed in rented buildings; then it goes on to say it is necessary to establish new offices and to get increased space to take care of this additional work load. And you are requesting in the break-down of the appropriations for that item \$176,300; then you go on further to say that the sum of \$107,300 has been asked to provide for additional equipment.

Mr. MAXWELL. Yes, sir.

Mr. KEEFE. Necessary in the regional offices to carry the increased load.

Mr. MAXWELL. I think we can explain that.

Mr. KEEFE. Now, either it is to carry the increased load, or then the other statement is not accurate. Either we have to pay overtime in order to use the existing equipment and avoid the purchase of new equipment, or have to provide additional equipment.

Mr. MAXWELL. We have two factors. You have a permanent increase in load which arises on account of the Veterans' Railroad Retirement, and Social Security payments, which requires every year additional space and additional equipment—these items are on a permanent basis, because that load will probably continue. Then this \$30,500,000 tax refunds which comes in a short period is an additional factor that makes an unusual peak from about February through June. And what we have reference to here at the bottom of page 11, is in respect to the first item—to take care of the more or less permanent increase—where they have to have additional space to take care of Social Security, the Veterans' Administration, Railroad Retirement, and other increases which will continue year after year.

Mr. KEEFE. I presume the additional space is a matter of contract and you pay what the contract price calls for?

Mr. MAXWELL. Yes, sir.

Mr. KEEFE. And that is what is involved in this item?

Mr. MAXWELL. Yes, sir.

SCHEDULE OF RENTED SPACE

Mr. KEEFE. But nobody knows how much space you have in these offices now, how much space you are increasing it, and what the percentage of increase is. That is not shown in these justifications.

Mr. MAXWELL. I think Mr. Banning has that information here.

Mr. BANNING. We have a schedule of space occupied.

Mr. KEEFE. You may have it, but this committee and the Congress do not know anything about it.

Mr. MAXWELL. We can furnish that schedule.

Mr. BANNING. I have here a schedule showing the amount of space occupied by the various offices in the Division of Disbursements. All told, we have 388,045 square feet of space. That is distributed as

follows: 74,691 square feet of space for heavy equipment; 44,561 square feet of space for storage; 41,968 square feet of space for records; 224,825 square feet of space for employees. At the time this statement was prepared, we had 3,613 employees with an average of 62 square feet of space per employee.

We had rental space in nine different locations which cost an average rate of \$1.32 per square foot.

Mr. KEEFE. Are you talking about locations in the District of Columbia?

Mr. BANNING. No, sir; in the field.

Mr. KEEFE. That is in your nine regional offices?

Mr. BANNING. We have 27 regional offices. About 9 of the 27 are in rented space.

Mr. KEEFE. In 9 of the locations out of 27 locations of your regional offices, you have to acquire additional rented space; is that right?

Mr. BANNING. That is not exactly what I intended to convey. I meant we had rental quarters in nine places. I did not mean to say we had to acquire additional space in all of those nine locations.

BASIS FOR SUPPLEMENTAL ESTIMATE FOR RENTS AND UTILITY SERVICES

Mr. KEEFE. Well, you are asking here, for example, for a total of \$176,300 increase in rents and utility services. Now, how is that broken down to show where that is necessary?

Mr. BANNING. I have a table which shows that.

Mr. KEEFE. You do not need to read the whole table; just let me see it.

Mr. BANNING. Yes, sir [handing table to Mr. Keefe].

Mr. KEEFE. Tell me where you get the figure of \$176,300 off of that table.

Mr. MAXWELL. I think he handed you the wrong table. This is the table [handing to Mr. Keefe].

Mr. KEEFE. Well, this is the same thing. Now, tell me where you get the figure of \$176,300 off of that table.

Mr. MAXWELL. In the first column.

Mr. KEEFE. Well, in response to my question, you have presented a table which is entitled "Estimated Rental of Equipment and Space, fiscal year 1947, based on actual to November 1, 1946," which shows a grand total of equipment of \$267,642; space, \$208,658, or a total of \$476,300.

Now, I have asked you where is the figure to show the increase of \$176,300 that is asked for in this deficiency item. I find nothing in this table that indicates that item.

Mr. BANNING. The \$176,300 asked for in the deficiency item is the difference between the total estimated rental requirements for space of \$476,300 and the amount appropriated of \$300,000.

Mr. KEEFE. And this estimate of \$476,300 is a projected estimate for the entire fiscal year 1947?

Mr. BANNING. That is correct.

Mr. KEEFE. It is projected as of November 1, 1946?

Mr. BANNING. Yes, sir.

Mr. KEEFE. So you arrived at the figure of \$176,300 in this estimate by taking this projected estimate made as of November 1, 1946, and deducting therefrom the amount of \$300,000 which I understand you say was appropriated for this item in the 1946 appropriation bill?

Mr. BANNING. The amount of \$300,000 was appropriated for the rental of space and equipment in the 1947 appropriation act.

Mr. KEEFE. Well, this is for space and equipment, too; is it not?

Mr. BANNING. Yes, sir.

Mr. KEEFE. But the item of \$176,300 given here is just for rent and utility services. That does not say anything about equipment.

Mr. BANNING. That category includes the cost of space rented and the cost of equipment rented.

Mr. KEEFE. Well, just what equipment is involved in it?

Mr. BANNING. We use electrical check writing equipment.

Mr. KEEFE. Well, that is included in the estimate of \$107,300?

Mr. BANNING. No, sir; the item of \$107,300 is for the purchase of equipment such as addressographs, typewriters, adding machines, and so forth.

Mr. MAXWELL. I might amplify what that equipment is used for. You know a few years ago we started preparing checks on the punch-card system and that equipment is not available for purchase; it is only obtained on a rental basis; we have to rent the punching equipment and tabulating equipment which prepares those checks as punch cards.

Mr. KEEFE. Well, I used to know something about this appropriation item when I served on that subcommittee, the Treasury and Post Office Subcommittee, and that is the reason I am asking these questions. I am not at all clear on your justification of this deficiency item. It seems to me that it is just a rounding off figure, and a pretty fair guess of what you are asking here for.

Mr. MAXWELL. Well, the basis for it is this—our present cost is multiplied by the number of items, that is, the estimated number that we are going to have this year and deducting therefrom what was appropriated, which gives us this figure we have here.

CAUSES FOR OVERTIME

Mr. KEEFE. How much overtime was put in the first 6 months of this year?

Mr. MAXWELL. We have a figure, so far through January of \$164,692.

Mr. KEEFE. One hundred and sixty-four thousand and six hundred ninety-two dollars?

Mr. MAXWELL. Yes, sir. Mr. Banning can give you some of the causes of that overtime, which are in addition to what I mentioned a few minutes ago about the overtime in connection with the tax refunds. There are other reasons why it is necessary to pay more overtime in connection with this item.

Mr. KEEFE. What are those reasons?

Mr. BANNING. The Veterans' Administration works 4 hours on Saturday, so it is necessary for the Division of Disbursement to have a skeleton force on hand, and this applies to most of our offices. With the continually expanding veterans' program and unforeseen conditions arising in their field offices delays inevitably occur in the return of the documents on which it is necessary for us to make payments. In very many cases they do not reach the disbursing office until the last day they are due to be released, and in such cases our employees must work overtime to get the work out so that the veteran is paid on the day the check is due.

Not infrequently our employees are compelled to work overtime because of an unusually large volume of plate changes. In 1 month alone we had 2,500,000 plate changes because legislation passed by Congress increased the amount of benefits paid to veterans.

Mr. KEEFE. When was that done?

Mr. BANNING. Last year in September and October 1946.

Mr. KEEFE. You refer to that in your justifications here. You say:

Other factors cause overtime, such as the recent Public Law 662, Seventy-ninth Congress, which granted a 20-percent increase in certain classes of veterans' compensation rates:

Then you continue on,

This operation alone required that individual amounts on 2,600,000 addressograph plates be changed in less than a month, so that overtime work was necessary.

Then you talk about another item,

Because of housing, schooling and other conditions, many veterans of World War II, drawing compensation and subsistence, are moving from one place to another which requires addressograph plate changes.

Another one is 1,250,000 were reembossed in whole or in part. That was all accomplished since the end of the last fiscal year?

Mr. MAXWELL. No, sir.

Mr. KEEFE. Or has it been accomplished yet?

Mr. BANNING. Changes of plates are being made every day. Also a great many changes have to be made because of the housing situation. Veterans are moving about and that necessitates the changing of the plate for the new address. That condition is still very heavy.

Mr. KEEFE. My dear sir, I wish you would kindly confine yourself to the justification which you made here, and which is in writing. You say—

This operation alone required that individual amounts on 2,600,000 addressograph be changed in less than a month.

Now, that is something that is a job that is done and it is over with. Then you say that changes that take place as a result of changes in address, and so forth, is a continuing thing.

Mr. MAXWELL. Could I ask Mr. Brennan to explain that point, as he was particularly concerned with it?

Mr. BRENNAN. When the act was passed increasing the pay, or the compensation, by 20 percent it meant a change in every existing plate.

We ran the vouchers for the Veterans' Administration on an agreed date, sending them out to them for verification, during the first month, I think, which was September or October—the act was effective a month following the date of approval. We had to run off the plates with the names and addresses on them, and cut out the amounts.

The Veterans' Administration then filled in the amounts and they filled in the checks to get them out.

The next month, in order to save that amount of work for the Veterans' Administration, we had to change the plate completely so that we prepared the voucher for them at the same time we prepared the check here. All that was done by us. To do that we had to undergo a little more than the usual amount of expense.

What Mr. Banning was trying to bring out was that every time there is a new veteran who goes into school or onto compensation we have to cut an addressograph plate for him. A high percentage of the

changes made is due to the fact that particularly in World War II the veterans are moving about a little more than the veterans in World War I.

Mr. KEEFE. I assume that you have a certain number of employees who are working on that sort of thing all of the time?

Mr. BRENNAN. Yes, sir.

Mr. KEEFE. Then comes in this great influx of demand for the complete change of 2,600,000 addressograph plates. Now, you worked night and day on them, I assume, to get them out; is that right?

Mr. BRENNAN. Yes, sir.

Mr. KEEFE. And that job is done?

Mr. BRENNAN. Yes, sir; that particular job is done, and new cases are coming in continually for us to prepare. We must absolutely make that dead line at the last day of the month in order to have the check reach the veterans on time, so that if any delay at all occurs at any place along the line we must make it up.

Mr. KEEFE. I think that is just a general statement with which I concur; that is, as to the necessity for getting these things out, but I understood that this statement in your justification which is here in writing, covers the whole situation. Then you say:

During the month of October over 1,700,000 addressograph plates of all classes had to be withdrawn from periodic plate files, and 1,250,000 were reembossed in whole or in part.

Now, that job has been done; has it not?

Mr. BRENNAN. Yes; but that job was paid for, and paying for it depleted our funds accordingly.

Mr. KEEFE. I understand that job was done, and that the other job was done in the first 6 months of the year, and represents part of this \$164,692 that you expended in the first 6 months of this year; is that true?

Mr. BRENNAN. Yes, sir; that is correct.

Mr. KEEFE. So that you have those two biggest jobs out of the way. Now, your next big job set forth in your justification is the necessity for overtime arising from these refund payments, getting them out promptly.

Mr. BRENNAN. On the refund payments, we hire both part-time and temporary employees, but they must be supervised by our trained employees. That requires overtime or differential. In all those cases we hire temporary employees who are doing the work mostly at night. After 6 o'clock, they get a differential in pay. Mr. Maxwell spoke about these peak programs. There is also a gradual, natural increase of the work of the division which must be taken care of by getting equipment. On the peak programs it is more economical to pay overtime to trained employees than it is to hire full-time employees to do the work. Some of these employees only work 20 hours a week. We get good results out of part-time employees. It saves us from going out and getting additional space in which to house them, although in New York, in this particular thing where we estimate there may be 3,000,000 refunds we had to go outside and get some extra space.

DISCUSSION OF PROPRIETY OF INCURRENCE OF DEFICIENCY BY DIVISION
OF DISBURSEMENT

Mr. KEEFE. When did you become aware that you were going to incur a deficiency in this item?

Mr. MAXWELL. Right after the first of the fiscal year, Mr. Congressman.

Mr. KEEFE. In other words, right after the appropriation was made, as of July 1, 1946, you simply determined then that the Congress had not given you enough money and you were going to go into a deficiency; is that right?

Mr. MAXWELL. No; we knew that this appropriation for this year did not include sufficient funds for all tax-refunds checks. We transferred some of the funds from this year's appropriation back to last year's appropriation to take care of the accelerated program. So, when we came to apportioning the funds to this fiscal year, the question was raised at that time, and a memorandum was written to the subcommittee on that point so that you could understand the situation.

Mr. KEEFE. I would like to see the apportionments that were made at the beginning of the fiscal year in this item. Do you have that here, or is it one that is signed by someone?

Mr. MAXWELL. No, sir; we do not have the apportionments here, but we can furnish them to you. However, I have a copy of a memorandum which was written to you gentlemen on the subject.

APPROPRIATIONS WHICH SHOULD HAVE BEEN MADE IN THE FIRST
INSTANCE

Mr. KEEFE. Mr. Chairman, I am new on this committee, and I think I made my position pretty clear when I came to this committee that I would do so upon the condition that free rein would be given to inquire into these things, as to whether they are deficiency items, or as to whether they are actual appropriation items that ought to be considered by the committee that made the appropriation in the first instance.

Now, here is a situation where, on July 25, 1946, the clerk of the Treasury Subcommittee on Appropriations is advised that the appropriation as made is going to require a deficiency. So we knew immediately that the appropriation made by the Congress was going to be insufficient, and I assume that the allocations of those funds were made in accordance with the ideas expressed in this letter written to Mr. Harvey, the clerk of that committee, on July 25; that is, the apportionments.

Mr. MAXWELL. The apportionments were so made; that is correct.

Mr. KEEFE. In other words, you made the apportionment so that it would be clear that there would be a deficiency on the basis of your estimates in the last quarter?

Mr. MAXWELL. Yes, sir.

Mr. KEEFE. Or perhaps in the third quarter; I do not know; is that right?

Mr. MAXWELL. It involved at that time the last quarter for this reason: As I recall we did not know then that there would be a change in the number of checks written by the Veterans' Administration and in the social-security checks. I can place in the record, if you desire, a

statement covering those apportionments. I do not have them with me at the moment. Yes; I have them here, Mr. Congressman.

Mr. KEEFE. Well, if you have the apportionment I would like to see what it is.

In compliance with the question asked, the committee has been furnished a statement dated November 27, 1946, entitled "Apportionment."

First quarter, \$2,613,566; second quarter, \$2,444,280; third quarter, \$1,993,724; fourth quarter, nothing; total, \$7,051,576.

Appropriation \$6,257,000; transferred funds, \$457,150, and other funds to be received by transfer and reimbursement, \$319,419; total, \$7,051,569.

On November 27, 1946, in this statement appears deficiency work load, \$3,521,100; deficiency, Public Law 390, \$762,900; total deficiency, \$4,283,000.

Total requirements for 1947, \$11,334,569, as against an appropriation of \$6,275,000.

I am aware of a statutory provision, you see, which seems to contemplate a prohibition against this very activity that you have indulged in here, and I am just wondering how you expect to evade the plain mandate of that law?

Mr. MAXWELL. I think one thing we should not overlook here is that this office is a service agency, and that the appropriation estimates were based on the number of items which were estimated for at that time.

In the event the Bureau of the Budget and others cut the appropriation more than we originally estimate it, or in case an agency has more items than were originally estimated, I do not believe that any one would say that when we have processed during the year the number of items in the original estimate that we should then stop processing checks. However, that is the only thing we can do, of course, if Congress does not appropriate the money. The only reason we are coming up for a deficiency is to take care of those additional items which we will be receiving this year, and for which no funds are appropriated.

APPORTIONMENT OF FUNDS AT BEGINNING OF FISCAL YEAR

Mr. KEEFE. Are you not required under the law to apportion these funds at the beginning of the fiscal year?

Mr. MAXWELL. Yes, sir. We did that in accordance with the law.

Mr. KEEFE. When did you make the apportionment, and where is it?

Mr. MAXWELL. Around July 1.

Mr. KEEFE. This apportionment is dated November 27, 1946.

Mr. MAXWELL. That memorandum is dated that date, but those apportionments were made in July, at the same time that letter was written.

Mr. KEEFE. Then there must be something filed some place in order to comply with the mandate of the law as to the apportionment which was made the first of the fiscal year.

Mr. MAXWELL. Under the Budget-Treasury regulations each agency is required at the beginning of each year, or when the appropriation is made if after the end of the fiscal year, to submit appor-

tionments to the Bureau of the Budget estimating their expenditure over the four quarters, and that was done by the Division of Disbursement.

Mr. KEEFE. Where is that?

Mr. MAXWELL. I do not have that with me, but I shall be glad to furnish it. It is a statement on Form 1, and that form contains a list of the appropriations and the distribution by bureaus.

Mr. KEEFE. I am only interested in this particular item.

Mr. MAXWELL. Yes, sir.

Mr. CASE. Will you yield there for a question?

Mr. KEEFE. Yes, sir.

Mr. CASE. In this other statement which you referred to upon apportionment, do you there provide any apportionment of actual expenditures to the fourth quarter?

Mr. MAXWELL. No, sir. If I understand you correctly, you refer to the apportionment of the original appropriation of \$6,275,000?

Mr. CASE. In the statement of apportionment which you said that you were required to make.

Mr. MAXWELL. That is right.

Mr. CASE. In there do you allocate any funds actually for expenditure in the fourth quarter?

Mr. MAXWELL. No, sir.

Mr. CASE. I note that this November statement Mr. Keefe is referring to here shows no apportionment of expenditures for the fourth quarter.

Mr. MAXWELL. As I recall, I think there was nothing allocated or apportioned to the fourth quarter in the July figure. There may have been some amendments since July to that figure.

Mr. CASE. How can your office distribute your funds that are appropriated so that you will have no funds to expend in the fourth quarter?

Mr. MAXWELL. Under the regulations issued and also under this memorandum which we sent to the subcommittee, we thought it was agreeable to do it that way, knowing that the amount which was appropriated by Congress would cover items submitted to the Division of Disbursement during the first 8 months of the year.

Mr. JONES. Mr. Chairman, I would like to put in the record the Department's position on this matter.

On about the 1st of January last year the Treasury Division of Disbursement appeared before the Treasury Subcommittee and presented the estimate for the Division of Disbursement based on estimates as to check load and collection items received from all Federal departments and agencies for which we had worked.

On May 1, we contacted again all of those departments and agencies and asked them for their revised estimates for the current fiscal year, that is, 1947, and the estimated workload for 1948.

When we received from the Veterans' Administration their revised estimated work load for 1947 it showed an increase of approximately 30 percent. That is just one item, and several other items were revised for 1947, and it was apparent that the Division of Disbursement could not handle the work load we were being asked to handle with the funds appropriated for the current fiscal year. On the basis of the information furnished by the departments and agencies we drafted the memorandum that Mr. Keefe has there.

Mr. KEEFE. I would like to have that memorandum placed in the record at this point in connection with this item.

Mr. JONES. Fine.

(The matter referred to is as follows:)

JULY 25, 1946.

MEMORANDUM FOR GEORGE Y. HARVEY, CLERK, TREASURY SUBCOMMITTEE ON APPROPRIATIONS

On the basis of revised estimates furnished within the past 30 days by Federal departments and agencies at the request of the Budget Officer, Treasury Department, the Bureau of Accounts (Division of Disbursement) will be required to process during the current fiscal year checks and collection items aggregating about 138,419,000. The funds available to the Division of Disbursement for the current fiscal year will provide on the basis of 1946 salary rates, for the processing of only 110,646,000 items. The increase in the volume of work to be performed by this Division during the year as reflected by the revised estimates, approximates 27,700,000 items which is due primarily to the following:

(1) The appropriation, as finally approved by Congress, includes provision for the issue during the fiscal year 1947, of about 8,500,000 tax refund checks relating to the calendar year 1946, whereas the Bureau of Internal Revenue currently advises that the Division will be required to issue 28,750,000 for this purpose.

(2) The revised estimate of checks to be issued for the Veterans' Administration during the current fiscal year is 67,753,000 checks as compared with 61,000,000 provided for in the 1947 appropriation.

The total increase indicated above, together with other minor increases, are partially offset by decreases in estimates for the Social Security Board and War Agency activities. However, the net increase anticipated for the Division will exceed 27,700,000 checks.

In order that the Division of Disbursement may perform its check functions in accordance with fixed issue schedules, it will be necessary to apportion available funds on an unequal basis which will result in an apparent deficiency with respect to the apportionment for the last quarter of the fiscal year. However, in view of the feelings of the Appropriations Committee with regard to obligating at a rate which makes necessary either a deficiency appropriation or the suspension or drastic curtailment of an activity for lack of funds (p. 5, House Committee Report, Second Deficiency Bill, 1946), the Department is reluctant to approve such unequal apportionments without first explaining the entire situation to the committee.

In the same connection, but for a slightly different reason, the Bureau of Internal Revenue is concerned about the requirements for the Salary Stabilization Unit for the current fiscal year in the event the Stabilization Extension Act of 1945 is extended through June 30, 1947. As you know, no funds were included in "Salaries and expenses, Bureau of Internal Revenue" for the fiscal year 1947 for this purpose, due to the expiration of the act on June 30, 1946. Should the proposed Act providing for the extension of salary-stabilization activities be approved it is apparent that deficit spending for this purpose will be necessary pending such time as funds can be provided through the proper channels.

Since the above matters are not within the administrative control of the Department, it seems essential that they be presented to the Committee for its consideration with a view to approving the incurrence of obligations in excess of funds currently available for the fiscal year. In the event the committee desires a detailed explanation of the circumstances involved, I will be glad to arrange for the appearance before the committee of the Department officials for this purpose.

(Signed) GEORGE H. JONES,
Acting Budget Officer, Treasury Department.

Mr. JONES. We came over and presented the memorandum to Mr. Harvey, and it had for its specific purpose the special provision with respect to the apportionment of funds in other than equal quarterly amounts.

NO ACTION BY COMMITTEE

Mr. KEEFE. Was there any action taken by the subcommittee with respect to this communication which has just been placed in the record, or was that just submitted to the clerk of the committee?

Mr. JONES. It was submitted to the clerk for the purpose of contacting the chairman and the minority as well as the majority group.

The Bureau of the Budget was contacted on the basis of the work load that was apparent, and I discussed it with Mr. Martin, Assistant Director of the Bureau of the Budget in charge of estimates. The Department has no alternative in any of these cases.

When the Veterans' Administration, by virtue of laws that are in existence increases the check load that has to come out of the disbursing office, we cannot deny the issue, just the same as this increase of 20 percent in pensions, you cannot deny that change in plates. We had to make the changes, and we did move right away when it came to us. It was new law. We had no knowledge of it prior to July 1, or at the time we considered the estimates for 1947.

Mr. KEEFE. The point I am getting at is that the Subcommittee on Appropriations under that theory of consideration of the estimates of the Treasury Department is just a mere perfunctory approval outfit that will go through the estimates and cut some of them, and Congress will approve the estimates as finally submitted by the committee, and then it is necessary because of the fact that this is a service organization, as you say, to go right on and incur a deficiency, and it is sent up to this committee to furnish the money to relieve that deficiency.

Now, the thing I am interested in is, and I served on that subcommittee, that I have no knowledge of any meeting to discuss this situation last July within a few days after the appropriation bill had been approved by the Congress.

Mr. JONES. The fact of the matter is I believe that Congress had adjourned at that time, is that right?

The CHAIRMAN. We adjourned on the 2d of August.

Mr. KEEFE. Was there any meeting of the subcommittee, Mr. Harvey.

The CLERK. No.

Mr. JONES. No, there was no subcommittee meeting, no, sir.

The CLERK. I think the memorandum was not responded to by the committee at all. The matter is very vague in my mind, but there was no action taken here.

The CHAIRMAN. I never heard of it before.

Mr. KEEFE. Well, of course, Mr. Chairman, I think this raises a very vital question, and one which has agitated a good many Members of Congress for a long time.

It seems to me that we ought to pin this thing down.

ANTIDEFICIENCY STATUTE

Now, we have a statute. It is not a regulation of the Treasury Department. We have an antideficiency statute which is clear in its requirements as to what must be done in order to incur a deficiency. Evidently, that statute, so far as this record shows, is completely flaunted. None of the provisions of the law have been complied with. Either that is law or it is not.

A deficiency is a deficiency when that statute has been complied with, it seems to me, and as long as I am on this committee I am going to insist that matters that belong to the subcommittees should be considered by them, and should be considered by the subcommittees in all instances where they are not deficiencies in reality.

I realize that you could not come to the Congress because it was not in session last November.

Mr. JONES. That is right.

Mr. KEEFE. But Congress makes an appropriation and the anti-deficiency law requires you to allot that appropriation on a quarterly basis.

Now, you pay no attention to the law, and you allot it on the basis that you have sent a note up to the clerk of the committee, and you allot it without making any provision whatsoever for the last quarter, and you, in effect say to the Congress in defiance of the antideficiency law we are going to run into a deficiency.

I am not saying whether the law should be amended or a change should be made, but either we are going to comply with the law or we are not.

Mr. JONES. Mr. Keefe, the second deficiency of 1946 contains quite a statement on this very situation, and it was clearly stated at this table in Mr. Cannon's statement, I believe, to be exact, and it was concurred in by either one or two other members of the committee that in the event any department or agency finds that the funds appropriated for a given purpose are not sufficient for the purpose for which they were given they had no right to incur any obligations in excess of the funds appropriated without first coming to the committee itself and stating the case in full, in order that the members of the committee would know the full status, or the true status of the situation.

Now, that is written into the second deficiency, or the report on the second deficiency.

That is what the Department tried to do in this case. We fully stated in that memorandum the reason for the inability of the Division of Disbursement to issue the checks and handle the collections which we were being asked to handle.

Now, we took the only vehicle which we had to present our case to the Congress. The matter was discussed with the Assistant Director of the Bureau of the Budget because the Veterans' Administration was asking us to issue the checks, and they were asking us to change 2,600,000 plates for the payment of increased pensions. Now, that was material. Could we defy the law, could we deny the Veterans' Administration the service that they were asking us to perform, and that was demanded under the act?

Mr. KEEFE. Then we better put an exception in the antideficiency law relating to purely service organizations and functions of Government and say you are not covered by this law, you can go on and spend as you want to spend, as you feel is necessary to meet the demands of the agencies that you service, and all you have got to do is write a letter up to the clerk of the committee at any time.

Mr. JONES. That was not my intention. I am the one who insisted upon the statement, as contained in the Second Deficiency Act, being carried out in full. I would not approve the apportionment as

actually submitted to me without presenting it to both the committee over here and to the Assistant Director of the Bureau of the Budget.

Mr. KEEFE. I have no recollection of it having been submitted to the committee.

Mr. JONES. We had no budget officer at that particular time. We had not had a budget officer since the death of Mr. Schoeneman, who had passed away at the 1st of July, and in order to be in the clear simply gave to the case the treatment that the Bureau of Customs received a few months prior to that.

Mr. MAXWELL. We thought the thing had been cleared, but it is quite a knotty question because undoubtedly if we apportioned the funds over four quarters evenly, then that would mean at the end of the first quarter we would have some payments for which we could not issue checks because we had received an excess over the number for which appropriations had been made, and if we did find that we could not process the checks, it certainly would not be a good thing from the viewpoint of the Government's credit; because certainly vendors, if they thought they could not get their money until a later date, certainly would have to take that into consideration in their contracts in selling their products to the Government. This volume of checks is entirely outside of our control. If we could say we are only going to process so many each quarter, we could very likely apportion funds equally to each quarter. However, since we cannot control the number of items which are going to be turned over to us to pay, this process which Mr. Jones mentioned seemed to be the best method of bringing it to the attention of you gentlemen.

Mr. KEEFE. Well, the chairman has called my attention to a statement contained in the report on the second deficiency appropriation bill, 1946.

The CHAIRMAN. Presented on March 26, 1946, is it not?

Mr. KEEFE. Yes.

The CHAIRMAN. The committee had that anyway.

Mr. KEEFE. Yes.

The CHAIRMAN. Is that not the right date?

Mr. KEEFE. Yes; March 26, 1946, is the date. Now, I quote from that report on page 4:

The 40-hour workweek occasions added expenses, not previously provided for, since it necessitates added personnel. With respect to additional personnel, the committee has denied provision therefor to the extent practicable, and has assiduously avoided providing for the initiation of programs entailing additional employees and other expenses which would influence action upon the regular annual appropriation bills for the fiscal year 1947. It considered and is not recommending a number of proposals to advance the starting of new or enlarged expenditure programs provided for in the 1947 Budget.

In connection with such refusals, the committee wishes to make it clear that it will not be receptive to estimates of appropriations for defraying obligations for objects for which it has not recommended appropriations. That may seem anomalous; however, as was pointed out in the committee's report on the First Deficiency Appropriation Act, 1945, instances have occurred where agencies do not actually incur deficiencies but proceed at an obligational rate, which makes necessary either a deficiency appropriation or the suspension or drastic curtailment of an activity for lack of funds. The committee does not propose to tolerate that practice any longer. It intends to see that the antideficiency law (31 U. S. C. 665) is observed in letter and spirit and shall expect the Bureau of the Budget to report quarterly, starting at the close of the first quarter of the next fiscal year, the title of any appropriation not being administered in accordance with the letter and spirit of such law, the reasons therefor, and the name and position of the official immediately responsible.

Now, there is a statement appearing in the committee report on the second deficiency appropriation bill for 1946—on March 26, to be exact.

Mr. MAXWELL. Yes, sir.

Mr. KEEFE. Now, what I am trying to get at is that very thing. Either this committee handling the appropriation for the Treasury Department and the Post Office Department has the responsibility to examine the estimates and to see that those estimates are made to comply with statutory law, or the committee might just as well cease to exist and cease to function and allow the Department itself to incur any expenditure that it may see fit to incur and then come up and ask for a deficiency appropriation.

Mr. ENGEL. Will you yield there?

Mr. KEEFE. Yes.

Mr. ENGEL. To get around that very thing I have suggested a number of times that we make the money available on a quarterly basis, and that you cannot spend money for the second, third, and fourth quarters until those quarters arrive. Then if you do that you will know if they have to come up for a deficiency.

Mr. KEEFE. That is the very spirit of the antideficiency law.

Mr. ENGEL. But you will never have it observed until you put a proviso in your appropriation bill to make that money available on a quarterly basis.

Mr. KEEFE. Is it possible for you to furnish the committee with a statement showing the actual expenditures in each of the quarters set forth in that apportionment?

Mr. MAXWELL. Yes, sir.

(The matter referred to is as follows:)

Apportionment of appropriated and anticipated transferred funds and obligations, fiscal year 1947

Quarter	Appropriated funds	Transferred funds	Apportionments	Cumulative apportionments	Cumulative obligations
First.....	\$2,325,766	\$287,800	\$2,613,566	\$2,613,566	\$2,598,637
Second.....	2,175,100	269,180	2,444,280	5,057,846	5,055,887
Third (Jan.).....	1,774,134	219,589	1,993,723	7,051,569	6,002,277
Fourth.....					
Total.....	6,275,000	776,569	7,051,569	7,051,569	6,002,277

¹ Cumulative obligations through Jan. 31, 1947.

Mr. KEEFE. Did the Department exceed the expenditures set forth in the apportionment which you claim was made shortly after the end of the last fiscal year?

Mr. MAXWELL. No, sir; we did not exceed the apportionments.

Mr. WIGGLESWORTH. You must have, if you apportioned it for four quarters.

Mr. KEEFE. They did not apportion for the fourth quarter. It is not the correct apportionment in accordance with the provisions of the antideficiency law at all.

Mr. MAXWELL. We took cognizance of that statement, quoted from the committee's report on the second deficiency, Mr. Keefe; that was especially the reason why this memorandum was written—because we felt that these things had been cleared.

Mr. KEEFE. Did you get any response from the committee with respect to it? Have you in your file anything from the Appropriations Committee approving that situation or approving the suggestions contained in that statement?

Mr. MAXWELL. I understand it was all cleared. That is all I know. Mr. Jones may know something more about the facts on that.

Mr. JONES. In view of your question I cannot say that we have anything in our files discussing the matter with Mr. Martin, and he told me that he would approve the inequality of apportionments.

Mr. KEEFE. Who?

Mr. JONES. Mr. Martin, Assistant Director of the Bureau of the Budget.

Mr. KEEFE. I do not care anything about the Bureau of the Budget, but what approval did you have from Congress as representing this Committee on Appropriations?

Mr. JONES. He said in accordance with that informal advice he would be willing to approve the apportionment, but they would not care to give approval to apportionments without thinking that there were prior arrangements made over here.

Mr. KEEFE. At that time Mr. Ludlow, who was chairman of this subcommittee, was in the hospital, and Mr. O'Neal was acting chairman of the subcommittee.

Certainly there was no meeting called of the subcommittee to pass upon this situation, and I for one am going to dig into this situation all along the line because I think that this deficiency business has got to be brought under strict surveillance and control. I think that is the intent of this committee under the statute—to see that it is done that way, and that this idea of being able to run up here whenever a department wants to incur a deficiency without any action or without any permission, and in violation of the plain provisions of the law, and then run up here and get a deficiency on the ground that they have got to have it or the function is going to be curtailed, is going exactly contrary to the provisions of the statute and the recommendations set forth in the report which I have read into the record, and is in plain violation of the law.

Mr. CASE. Mr. Chairman, I wonder if we cannot have before us the Assistant Director of the Bureau of the Budget who, allegedly, gave permission to proceed in such a fashion?

The CHAIRMAN. I think that may be done.

Mr. KEEFE. This, Mr. Chairman, is not the first instance I have run into in connection with this matter. I find it in each one of the subcommittees I am on. I find it in the subcommittee that I have the honor to be chairman of, and that procedure has got to stop.

Mr. ENGEL. Will the gentleman yield?

Mr. KEEFE. Yes.

Mr. ENGEL. There is one thing I want to emphasize, and that is this: That I do not believe that any department should be permitted to exceed its budget, or spend any funds just by going up to the ranking members on both sides of the Appropriations subcommittee, whoever they may be.

In 1945 I went over to Hawaii, and they were building a \$33,000,000 hospital, and also a \$488,000 officers' club—they told us it was going to be a bachelor officers' quarters—all because they had gone to two members of the Appropriations subcommittee for \$33,000,000. That

is the sort of thing I want to see stopped. It is not in just this individual case, but generally, over-all.

Mr. KEEFE. It may be that the Treasury Department is confronted with problems, that it is confronted with difficulties which I realize full well present major and intricate problems, but if that law has to be amended to exempt the Post Office and the Treasury Departments as purely service organizations, as it said there, then it is up to the Congress to amend the law. As it now is, and as the law reads, it provides criminal penalties for failing to comply with it and for dismissal from the service of those who are responsible for failing to comply with it. It seems to me that the Treasury Department itself and its legal department would want to see to it that there was strict compliance with the antideficiency law, and I propose to see that it is enforced to the letter, so far as I can do it.

Mr. JONES. It was my responsibility, in the first instance, to recommend for approval the apportionments of funds for this fiscal year, and I took that responsibility on my shoulders, particularly in view of the intent in the report on the Second Deficiency Act. It is just a question of whether we would present the only vehicle we have for permission to apportion unequally or deny service to the Veterans' Administration particularly. We could not even have changed the plates necessary to increase pensions because there was no money in the 1947 appropriation to change those plates. The law was passed and pensions were increased 20 percent and if we do what the Veterans' Administration asks us to do, and what was necessary under the law we would have need to spend more money in the first quarter than we had.

Mr. CASE. Did not the Veterans' Administration come in just before Congress adjourned and ask for money for carrying out that automobile law for amputees, which was passed in the closing days of the Congress?

Mr. JONES. I would not be familiar with what the Veterans' Administration requested, but this pension increase was something passed in the last few months of Congress.

Mr. KEEFE. They had to get the money to implement that law to pay the increased pensions through the Veterans' Administration, and it would have been more simple, it seems to me, to promote compliance with the law to have provided for the funds in the appropriation and to have permitted an allocation of those funds to the Treasury Department to facilitate the service that you are rendering to this agency and this effort, complying with the provisions of the antideficiency law.

Mr. MAXWELL. We shall be glad to do it any way you gentlemen say.

You can see our problem is that we are in a dilemma; one law says do a thing, and the other law says to not do it—if that is the way it is interpreted—and if we follow strictly equal four-quarter apportionment, that would mean when we reached the limit of the total estimates for any agency for which estimates had been made, we would stop making any further payments for that agency.

Mr. KEEFE. Would it not be very simple to have the justification made before the proper subcommittee by the Veterans' Administration, or before this Deficiency Committee as to the work load, which they are going to impose upon the disbursing office of the Treasury

Department, and at the time the public law providing for the increase is implemented by the appropriation that that additional work load be provided for so that they can purchase the service necessary so that those agencies could give it to their beneficiaries?

Mr. MAXWELL. It could be done that way. As a matter of fact, when a new agency was created, formerly, the appropriation made directly to the agency included all expenses, and funds were transferred to the Division of Disbursement to take care of a number of items which they thought would be required.

Mr. KEEFE. The contention is made that the agencies sometimes have to suspend very necessary functions when they run out of money. That is a thing that will bring it to the attention of the people involved. I know out in the State of Ohio that the Federal Security Agency refused to approve their plan. They ran out of Social Security funds out there to the tune of \$1,400,000 and did not have any money to pay their beneficiaries, and that brought it sharply to the attention of the people.

Mr. JONES. To apply the apportionment rule in the case of the Division of Disbursement, Mr. Keefe, in this case it would be exactly as Mr. Maxwell puts it, if we were asked for 60,000,000 checks in the Veterans' Administration for the current fiscal year and our subcommittee of which you are a member, would give us money enough to process 15,000,000 in the first quarter, and in the ensuing seven or eight months after you approve our appropriation estimate laws are subsequently passed that increase that work load from 15,000,000 to 25,000,000 in the first quarter, then Mr. Maxwell would have to just issue 15,000,000 checks in the first quarter.

Mr. KEEFE. That is as simple as two and two makes four. There is nothing difficult about getting an answer to that, but the point is if the Veterans' Administration law which requires the payment of additional funds is passed by Congress after the appropriation bill for the Treasury Department is passed it would be a very simple thing for you people to take cognizance of that and take it up with the Veterans' Administration as to this additional work load that is contemplated, and have the Veterans' Administration ask in their implementation appropriation item for funds to be transferred to carry out the purposes of that act. Then you would not be violating the antideficiency law, and you would not be violating your apportionment situation at all, and it could be very simply done, and then the new work would be properly justified before some committee of the Congress before the work is undertaken and authorized.

Mr. JONES. I have a suggestion to make with respect to the Treasury's appropriation that I have been trying to make for several years.

The Treasury is a service agency, and it comes up here as one of the first departments to present its estimates of appropriations for the next fiscal year. In my opinion they ought to be the last one to be heard, and not the first one, but the last one, because then we would have the opportunity of seeing what programs are approved before we submit our estimates for the ensuing fiscal year. We are always told our program for 1947 or for 1948, for example, calls for such and such, which necessitates so much work. Then we present our estimates on that basis, and then they come over here and then later on the Appropriations Committee, after due consideration makes changes in the over-all program and naturally they affect the Treasury's estimates.

Mr. KEEFE. The suggestions I have made have been made after giving it a lot of thought as to how this difficult thing could be handled.

Mr. JONES. I would rather see the Treasury's estimates considered after all of the other programs have been approved and then we would have some reasonable basis for them.

Mr. KEEFE. That would be impossible.

The CHAIRMAN. Well, you would be able to come in for a deficiency at any time before the Congress adjourns, and if the laws are changed so as to require additional activities the budget estimate ought to be submitted to the Budget, and on the basis of that change in the law you should come up here for a deficiency.

Mr. KEEFE. Right away.

The CHAIRMAN. Yes.

Mr. MAXWELL. There is only one case where that would be troublesome, and that is in case Congress adjourned before the act was signed.

The CHAIRMAN. That, of course, would be a situation you could not help, but that did not exist in this particular case because there were estimates submitted with reference to laws that were passed away along in the middle of July, and after the middle of July like that automobile business, where the funds were provided for that.

Mr. CASE. Would not the situation be identical with that where you have legislation passed late in the session, and signed, perhaps, by the President afterward creating an entirely new agency? In that case no appropriation is made. Your agency is not created, so nobody incurs a deficiency, and the agency simply is not operative until a subsequent Congress makes the necessary appropriation available, so that you could apply the same rule with respect to new functions and new authorizations if there were no appropriation made for them, or for their services that would not be operative until Congress had made a deficiency appropriation.

Mr. KEEFE. Take this exact situation, Mr. Chairman. Is it not true that when Congress passed this law, providing for these increased pensions late in the session of the Seventy-ninth Congress, the Appropriations Committee had to implement that by a deficiency appropriation to provide the funds before the Congress adjourned to make that law effective, and did so.

The CHAIRMAN. Well, I think not on these increased pensions. I do not think the law was changed to cover that, was it?

Mr. KEEFE. I do not know whether it was or not. I thought so because I thought that was about this increased work load set out here.

The CHAIRMAN. I do not think we did pass any law on that, but I will see in a minute.

Mr. CASE. Referring to that, \$1,847,000,000 was provided in the third deficiency appropriation.

The CHAIRMAN. What was that for?

Mr. CASE. For the Veterans' Administration. That was supplemented and then in Public, 663, the first supplemental for 1947, \$30,000,000 was provided to buy automobiles and other vehicles for disabled veterans.

(Discussion off the record.)

The CHAIRMAN. The Veterans' Administration did not have an estimate up here and there was no estimate and no increase made available for pensions and compensation. The estimate where we provided \$1,048,000,000 was entirely on vocational rehabilitation.

Mr. KEEFE. If it was on vocational rehabilitation and the additional checks are due to additional checks being issued for vocational rehabilitation, and that is the reason the Treasury wants additional funds in its revised estimate, it would have been a very simple thing, then, to have estimated the number of additional checks that were going to be written and to provide funds to be transferred to the Treasury to take care of that obligation, and you would not be violating any law, and it would be a simple method of handling it.

Mr. MAXWELL. Well, the difficulty, Mr. Keefe, is that we are at the mercy of the agencies, because we get their estimates from them as to the number of items they are going to have, and if they guess wrong—as in the case of pensions, where they originally estimated on 60,000,000 checks for 1947, and then raised it to 83,000,000—since these estimates keep changing as their program either accelerates or slows down, as the case may be—we have to take the figures they gave us—and if they guess wrong we are in a bad situation.

Mr. KEEFE. I can see why the income-tax refund checks would be estimated by you, but I do not see why the Veterans' Administration itself does not ask for an appropriation to service its own functions and to purchase from you, as the disbursing agency of the Government, the service needs to implement that program.

Mr. MAXWELL. That was the method of handling it earlier. When Social Security first came into being and it was not known how many checks would be written, so the whole appropriation was made to the Social Security Board at that time, and then as the program got into motion and checks were being issued they transferred to the Division of Disbursement sufficient funds to take care of current needs. However, at a later date it was thought desirable in the Treasury and the Bureau of the Budget to have the Treasury Division of Disbursement come up to the Congress for the funds which it needed to do that work, and since that time the funds have been appropriated to the Division of Disbursement which has the function of making payments. That has been the practice heretofore, and there are a few agencies which still follow the original plan. Take the Railroad Retirement Board, for example. That happens to be a trust account and the appropriation is made to Railroad Retirement, and they, in turn, make transfers to both the Treasurer's Office to handle the payment of checks and to the Division of Disbursement to cover the drawing of the checks.

Mr. KEEFE. I would like to have the opinion of the counsel of the Treasury Department placed in this record justifying, if I can, the legality of the incurring of this deficiency that you are asking this committee to provide for now.

(The matter referred to is as follows:)

MEMORANDUM: RE APPORTIONMENT OF FISCAL YEAR 1947 APPROPRIATION FOR SALARIES AND EXPENSES, DIVISION OF DISBURSEMENT, TREASURY DEPARTMENT

This memorandum is addressed to the question of whether the action of the Treasury Department in apportioning the fiscal year 1947 appropriation for salaries and expenses of the Division of Disbursement so as to cover the activities of that Division for the first three-quarters of the fiscal year 1947 rather than the entire fiscal year was in violation of the so-called Antideficiency Act, section 3679 of the Revised Statutes, as amended (U. S. C., title 31, sec. 665).

The relevant portion of the Antideficiency Act, as set forth in the United States Code, provides:

"* * * All appropriations made for contingent expenses or other general purposes, except appropriations made in fulfillment of contract obligations expressly authorized by law, or for objects required or authorized by law without reference to the amounts annually appropriated therefor, shall, on or before the beginning of each fiscal year, be so apportioned by monthly or other allotments as to prevent expenditures in one portion of the year which may necessitate deficiency or additional appropriations to complete the service of the fiscal year for which said appropriations are made; and all such apportionments shall be adhered to and shall not be waived or modified except upon the happening of some extraordinary emergency or unusual circumstance which could not be anticipated at the time of making such apportionment, but this provision shall not apply to the contingent appropriations of the Senate or House of Representatives; and in case said apportionments are waived or modified as herein provided, the same shall be waived or modified in writing by the head of such executive department or other Government establishment having control of the expenditure, and the reasons therefor shall be fully set forth in each particular case and communicated to Congress in connection with estimates for any additional appropriations required on account thereof * * *" (U. S. C., title 31, sec. 665).

The function of making, waiving, and modifying apportionments of appropriations was transferred to the Director of the Bureau of the Budget by Executive Order No. 6166, dated June 10, 1933 (see note under sec. 132 of title 5 of the United States Code).

It is understood that the appropriation was not apportioned in such a manner as to cover the activities of the Division of Disbursement for the entire fiscal year for the reason that concurrently with or subsequent to the consideration and enactment by the Congress of the Treasury and Post Office Departments Appropriation Act, 1947, there was enacted certain legislation and there occurred certain circumstances imposing unanticipated burdens upon the Division of Disbursement which were deemed to render the amount appropriated inadequate to enable that Division to perform its functions during the full fiscal year.

In this connection attention has been directed to the Federal Employees Pay Act of 1946 (Public Law 390, 79th Cong.), which by increasing the basic rates of compensation for Federal employees increased the operating expenses of the Division of Disbursement, and to the act of August 8, 1946 (Public Law 662, 79th Cong.), which by increasing the monthly rates of veterans' compensation and pension payments necessitated changes by the Division of Disbursement on approximately two and one-half million addressograph plates. It is further stated that while the estimates on which the 1947 appropriation was based contemplated the processing of 60,988,100 items for the Veterans' Administration, that agency subsequently revised such estimate for an anticipated work load of 83,608,000 items, an increase of over 22,000,000 items for which no funds were provided in the appropriation. It also appears that the situation was aggravated by an acceleration of the income tax refund payment program, in consequence of which \$825,000 was in effect transferred by the Third Urgent Deficiency Act, 1946 (Public Law 419, 79th Cong.), from the then pending 1947 appropriation of the Division of Disbursement to its 1946 appropriation for use in making payment of 1945 income-tax refunds. In the absence of the accelerated tax refund program and the foregoing transfer of appropriation, the 1945 income-tax refunds would have been deferred until the fiscal year 1947. It is understood that the Division of Disbursement has a work load in the fiscal year 1947 of 23,381,700 income-tax refunds, principally 1946 tax refunds, for the processing of which funds have not been provided.

The action of the Treasury Department in apportioning the appropriation in question over the first three-quarters of the fiscal year 1947 appears to have been taken only after advice of the proposed action was transmitted to the Clerk of the Treasury Subcommittee of the House Committee on Appropriations. While it would seem that notice of the proposed action might more appropriately have been addressed to the chairman of the committee, its purpose was to advise the Congress concerning the action contemplated. Subsequent to such advice, concurrence of the Bureau of the Budget in the proposed method of apportionment was obtained and the apportionment was made.

The purpose of the Antideficiency Act was to prevent the incurring of deficiencies by the executive departments and agencies and to preclude the necessity of appropriations by the Congress of amounts in addition to those which had been

determined, upon the basis of available information, to be sufficient for servicing such departments and agencies for the fiscal year. However, that Congress did not intend the act should be without flexibility is evidenced by the provision that the apportionment requirements may be waived or modified "upon the happening of some extraordinary emergency or unusual circumstance which could not be anticipated at the time of making such apportionment." While in the instant case an apportionment of the appropriation for the entire fiscal year 1947 was not made, it is stated that such action would have been a useless gesture since prevailing circumstances would have necessitated the immediate waiving or modifying of such apportionment. In any event, it would seem the action taken in the instant case is comparable to that authorized in respect to the waiving or modifying of apportionments in connection with emergencies or unusual circumstances which could not be anticipated.

In view of the fact (1) that it appears to have been the intent of Congress that there should be some flexibility relative to the apportionment requirements of the Antideficiency Act, (2) that concurrently with or subsequent to the consideration and enactment by the Congress of the Treasury and Post Office Departments Appropriation Act, 1947, there was enacted certain legislation and there occurred certain circumstances imposing unanticipated burdens upon the Division of Disbursement, (3) that the additional work load so imposed was deemed to render the amount which had been appropriated inadequate to enable that Division to perform its functions, (4) that it was determined the apportionment of the amount appropriated over the entire fiscal year would have required such a curtailment in the activities of the Division of Disbursement as to delay unduly payments to and result in a hardship to recipients of veterans, social security, tax refunds, and other payments, and (5) that advice of the proposed apportionment of the amount appropriated over the first three quarters of the fiscal year was transmitted to the Congress and apportionment in this manner concurred in by the Bureau of the Budget, it is believed that apportionment in such manner was not a violation of the intent of the Antideficiency Act.

The CHAIRMAN. Mr. Cannon.

Mr. CANNON. Mr. Maxwell, your service is the check-writing service of the Treasury. You write checks for the veterans and the Veterans' Bureau, Social Security, Tax Refund, and what else?

Mr. MAXWELL. All the civilian establishments of the Government except the Panama Canal, postal service, and United States marshals.

Mr. CANNON. You have no way of ascertaining in advance what number of checks will be written during the fiscal year ahead of you, and you must rely solely upon the representations of the agencies which you serve?

Mr. MAXWELL. Yes, sir; that is correct. We are entirely at the mercy of the agencies we serve.

Mr. CANNON. You have no control whatever over the volume of your business. You are simply required by law to write the checks. If there are 1,000,000 checks you write 1,000,000, and if there are 2,000,000 checks you write 2,000,000?

Mr. MAXWELL. Yes, sir; provided we have the funds to cover the administrative expenses.

Mr. CANNON. It is obviously impossible, therefore, to say in advance what money will be required because your appropriation or your expenses are directly in response to the volume of work. If the volume of work varies from time to time you are in no position to say in advance what that volume is?

Mr. MAXWELL. Yes, sir; that is correct. We cannot control the volume of work, and if we could know in advance what the items would be, it would not be necessary to ask you gentlemen for a deficiency.

Mr. CANNON. Now, your work does not follow a stable routine. From time to time there are peaks in it?

Mr. MAXWELL. Yes, sir.

Mr. CANNON. There are times at the end of the month when you require more men than you do during the month?

Mr. MAXWELL. The peaks are mostly in year cycles. One part of the year is higher than others.

Mr. CANNON. Then you are confronted with the alternative of either having too many men at times when the work is less pressing or working overtime when these peak loads hit your office?

Mr. MAXWELL. Yes, sir; that is the situation.

Mr. CANNON. Of course, it would be more expensive to have permanent employees who would not work part of the time and who would require additional office space, than it would be to pay overtime? Paying overtime with a force which is elastic is the better business practice?

Mr. MAXWELL. That is the way we feel.

Mr. CANNON. It is beyond the peradventure of a doubt?

Mr. MAXWELL. Yes, sir.

Mr. CANNON. Now, as to this matter of the apportionment law, I myself initiated the movement for additional emphasis upon the application of that law, and I submitted to the House the report that has just been read here this morning. But, in the administration of that law it has been long recognized that there were certain activities to which it could not be applied meticulously, and we cannot absolutely comply with technical requirements. For example, take the item in the agriculture appropriation bill, Fighting Forest Fires, we never know in advance where we are going to have a fire, and we never know in advance how much money it is going to cost to put the fire out. The result is that we appropriate a token amount, and then at the end of the year, and after the fires are over with and they have been extinguished, and we know what the cost is, why, we make a deficiency appropriation.

Now, that is a technical violation of this apportionment law, but there is no other sensible way to handle it, and there is no other sensible business-like way to handle your work. By common consent, and by immemorial custom the work has been handled this way for many years, and there has been no wastage of money in that respect.

That law was passed in 1870, and goes clear back to 1870, and from 1870 down to this time we have found it utterly impractical to estimate in advance just what work you were going to have. Now, you cannot absolutely stop writing these checks, and you cannot absolutely fail to make changes in the plates. You have got to use a little common business sense about this matter.

And by long practice in such instances as this, fire fighting and various other kindred activities, we have followed the practice that you have followed in this instance. No one would insist more than I will insist and have insisted upon a strict enforcement of this statute; but, by general consent for many years, where it has been impossible to comply with some of the technical requirements of the law, we have understood you would follow this practice. If you do not have enough money and you were not allowed to proceed to write these checks when they were due—checks to veterans, checks to Social Security, and so forth—if you came in here every day before this committee and got permission at the end of the year, you would be just where you started out. You would not have saved a dollar;

you would not have wasted an additional dollar, and there would be no result at the end of the year.

Now, I do not recall the exact instance, but I am certain it must have been understood by the subcommittee that you would proceed in this manner; if so, the committee must have considered the thing; otherwise, the committee must have introduced an innovation, because every previous subcommittee has followed this practice.

I believe, Mr. Chairman, you ought to exercise a little common sense about these matters. That is all I have to say.

INCREASES FOR PERSONAL SERVICES

Mr. KERR. Let me ask you one or two questions. I am a new man on this Deficiency Committee. How much of this amount of \$3,520,000 is for increase in salaries?

Mr. SMITH. The total cost for personal services in the fiscal year 1947—I mean the total estimated cost of Public Law 390 for increases in base salaries for 1947 amounts to \$1,029,862. Of that amount \$762,900 is being requested in another deficiency appropriation, leaving \$266,962 for the purpose of this estimate.

Mr. KERR. And how much of this item is for salary increase?

Mr. SMITH. Of this item, \$266,962 is included herein for administering Public Law 390, which increased the basic salaries 14 and a fraction percent.

Mr. KERR. Was all of that increase in the base salaries of employees?

Mr. SMITH. Yes, sir.

INCREASES FOR RENTS AND UTILITY SERVICES

Mr. KERR. How much of this \$3,520,000 was for increased space?

Mr. SMITH. The rents and utility services, which includes the rental of space and the rental of equipment, amounts to \$176,300.

Mr. BANNING. Mr. Kerr, in the estimate for deficiency the rentals on equipment and space have been combined, because the category "Rents and utility services" consolidates them. Of that figure on rentals there would be a total required for this year of \$476,300. There was appropriated \$300,000. So that we are asking for \$176,300 more.

For your information, the \$476,300 was made up of \$267,642 for equipment and \$208,658 for space.

Mr. KERR. How does the space to be purchased compare with the space purchased in 1946?

Mr. BANNING. I do not have the break-down figures. The total amount spent for rents and utility services in 1946 was \$286,623.

Mr. KERR. Well, there has been an increase?

Mr. SMITH. Oh, yes, sir; a very sizable increase in the rental of space, as I said, because of the fact that the expansion of our activities in some cases has forced us to move to commercial quarters, and also additional space is required for processing the income tax refunds.

VOLUME OF TAX REFUND PAYMENTS

Mr. KERR. How does the refund of taxes that you have to make for 1947 compare with refunds of taxes you had in 1946?

Mr. BANNING. I do not quite understand your question.

Mr. KERR. Will the refund of taxes for 1947 exceed the amount you paid in 1946?

Mr. BANNING. The number?

Mr. KERR. No; the amount.

Mr. BANNING. Our estimates were made on a production basis; that is, we were interested only in the actual number of refunds to be made, because the amount refunded does not come from the appropriation for the Division of Disbursements.

Mr. MAXWELL. The amount would have to be obtained from the Bureau of Internal Revenue.

Mr. KERR. Those refund items, I suppose, represent items ranging between probably 2 cents up to \$2,000 or \$200,000?

Mr. MAXWELL. Mr. Brennan may know some of the individual items.

Mr. KERR. When you speak of "items," you mean small ones as well as large ones?

Mr. BRENNAN. That is right.

Mr. KERR. Because it costs just as much, probably, to make out a check for 2 cents as for \$2,000.

Mr. BANNING. I have the figures here if you are interested in the amount that was refunded. From July 1, 1946, through November 30, 1946, a total of \$649,631,347 was refunded for which we drew checks in the number of 1,373,891. The largest volume of business we handle begins in January and continues through June. The income-tax refunds processed from July 1 through November 30 are only the carry-over from the fiscal year 1946—a small amount carried over from the major program.

IMPROVEMENTS IN METHODS AND PROCEDURES IN THE DIVISION

Mr. MAHON. Mr. Maxwell, have you been able to streamline your department and better plan your work so that you could take advantage of all the know-how that is in the department?

Mr. MAXWELL. Yes, sir.

Mr. MAHON. So as to get more done per unit and per man down there?

Mr. MAXWELL. Yes, sir. Mr. Brennan has a group of employees continually studying procedures, to take advantage of the more advanced mechanical processes, and he has made a number of improvements recently and has a number in process which we hope will take care of some of this increase in volume without involving too much of an increase in cost.

I think Mr. Brennan probably could tell you some of the cases, if you are interested in particular items, which have resulted in economies, one in connection with just the simple matter of making carbon copies of the check list which is made up in the Division of Disbursements.

Mr. BRENNAN. When we started the Division we had to take some old equipment. We still have some of that equipment in use. Under Mr. Allen we were continually studying improvements in conjunction with the manufacturers.

For instance, when we first started, we signed checks manually with a 5-pen signograph. Then some of our people developed, in conjunction with Waterman, a 15-pen signograph. When the 3 A

program came out, we found the number of checks was too great. A study was made by a special committee appointed by the Secretary of the Treasury, of the mechanical side. We got a type of machine that we did not like, but gradually, working in conjunction with the manufacturers and getting them to compete, we got a type of machine approved by the Bureau of Standards with safety devices, and so forth, whereby 5,000 checks are signed and dated at the same time.

The question was raised at one time why there was not an engraved signature. There was always the danger in a case like that that if a blank check was stolen and filled in, we could not make recovery and there would be a question of how far in advance we would be liable for forgeries. Inasmuch as we combine the signing and dating, which must be put on the check in one operation, we preserve the safety and also complete the check. That machine now will do about 5,000 checks an hour. We also use that machine, by getting an extra meter, to put on the purpose for which drawn. On the left-hand side, we can give a short résumé of the purpose of the payments, whatever they are.

On the addressographs we kept building them up. Our first major change was to get away from the hand feed to the automatic suction feed. The machine we have now was originally designed for the paper check. Since we went into card checks, which resulted in an over-all saving for the Government, we developed a machine where the checks feed across the machine while the operator is filling in the blank sheets for copies. At this point, I might say when we write the vouchers for Social Security and Railroad Retirement, in the same operation, or a closely allied operation, we print the checks. The voucher then goes to the agency, they verify it. Whenever corrections are necessary they certify them back to us, and then we run them through and pull the checks where changes are necessary. In that way we can have a very high percentage of checks completed before the due date. For instance, the Veterans' Administration checks all leave our office in time to reach the veterans on the last day of every month for the disability compensation and other periodic payments. We found in doing that there were nine strokes lost, while they were feeding the paper, they had to stop the machine to take the sheet out. And in making those 10 copies, with the machines there, under good conditions, we can get 12,000 checks in 8 hours.

With the introduction of the card check, it being a very stiff piece of paper—in fact, it is made hard so as to prevent absorption of moisture and thereby swelling and jamming the machines—it took off a little of the shock of the impression resulting in poor carbon copies.

You hear a lot about by-products. In my opinion the complete by-product is in the one operation getting the most out of it, not taking just part. We make these metal plates (indicating) which press down on the check and, of course, it goes through and makes the copies here (indicating), which serve as a voucher, also as our retained record, and the copy to be retained by the administration for which we prepare it. With the introduction of the stiff card check, it had an effect upon the copies, so we made further studies and found if we put another machine in tandem with the first machine, we could avoid interruption of our shooting the checks through one and then moving to the other, and making these copies by a continuous feed. So the machines are not stopped at all.

(After discussion off the record.)

Mr. MAHON. I just wanted a general idea whether you were actually trying to do more work with your people and were taking advantage of every bit of additional know-how that you are bound to accumulate from time to time.

Mr. MAXWELL. That is correct.

Mr. BRENNAN. Our latest development there is the proportion of the amount of carbon paper that we use; We use that much [indicating] as against the whole sheet when we get our machines equipped. This will result in 76 percent saving. We have some in force now. When they operate them they just use the center of the sheet—as you notice when you write a letter, it just hits about the center—and that amount of carbon [indicating] is wasted. We have developed a web to feed it diagonally across the line and it moves it one-eighth of an inch every time. Consequently, we use all of the carbon without the waste on the side.

Mr. CASE. Just one further question: are you having much trouble with forgery in the endorsement of these large numbers of checks issued now?

Mr. BRENNAN. I do not know of any case where there was any forgery of the signature, but there are comparatively few—the percentage is very low.

With the millions of checks going out, 10 to 12 million checks a month, you can expect some people trying to tamper with them.

Mr. CASE. I do not know whether the idea is practicable or not, but a man said to me the other day he understood that was an increasing problem in view of the large number of checks being paid to veterans, and so forth, to insure endorsement by the proper payee, and he suggested the development of a plan of fingerprinting by the use of a small ink pad and requiring that to be done.

Mr. WIGGLESWORTH. If there are no further questions, that is all, gentlemen. Thank you very much.

TUESDAY, FEBRUARY 11, 1947.

OFFICE OF DEFENSE TRANSPORTATION

STATEMENTS OF J. M. JOHNSON, DIRECTOR; HOMER C. KING, DEPUTY DIRECTOR; JOSEPH L. WHITE, EXECUTIVE OFFICER; ROBERT L. GLENN, DIRECTOR, MATERIALS & MANPOWER; FRANCIS A. SILVER, GENERAL COUNSEL, OFFICE OF DEFENSE TRANSPORTATION AND W. P. BARTEL, SECRETARY; V. G. CLINGER, DIRECTOR, BUREAU OF SERVICE; AND CHARLES L. HARRISON, ASSISTANT TO THE DIRECTOR, BUREAU OF SERVICE, INTERSTATE COMMERCE COMMISSION

SUPPLEMENTAL ESTIMATES, 1947

The CHAIRMAN. We will now take up the supplemental estimate for the Office of Defense Transportation, "Salaries and expenses," which appears in House Document No. 61. The amount of this estimate is \$143,000. Colonel, what do you have to say for yourself?

Colonel JOHNSON. Well, some of it will be repetition, Mr. Chairman, for you and I have had a conference on this already.

The CHAIRMAN. Yes.

Colonel JOHNSON. I have a general statement here, which is quite brief. I had my office send to you, sir, a sufficient number of copies of my testimony before the Reed committee. If they have read my general statement there they will be fully informed.

The CHAIRMAN. Well, I do not believe they have read it, so you tell us what it is in as few words as you can.

Colonel JOHNSON. All right, sir.

The CHAIRMAN. Do you mean that is what your statement is [indicating]?

Colonel JOHNSON. Yes.

The CHAIRMAN. Do not give us anything like that.

Colonel JOHNSON. It is just a few pages on the top of that. That is mostly exhibits.

The CHAIRMAN. All right.

GENERAL STATEMENT

Colonel JOHNSON. The United States, in its rail transportation, is in a greater predicament than ever in its history.

BOXCAR SHORTAGE

The boxcar shortage today is higher than it has ever been in the history of the United States, and I have here a graphic statement of that that I would like to have you see. This shows down in the lower part of it the famous freeze along the Great Lakes, and it shows the boxcar shortages today. There is a very much greater shortage than there was during the freeze.

There is only one cure for it, and that is we must have more cars, or we must lessen production, and we have been fighting ever since 1941 for more and more cars.

During the war we were building 4,000 to 5,000 cars a month, and we have dropped off in the building of cars until at the end of this year we were building 2,900, and we are using up between 5,000 and 7,000 cars a month. After great, long delays we are now told that, perhaps, by April or May we will be getting 7,000 cars per month, and later on this year we will be getting 10,000 cars, and when we do we will begin on the deficit of 3,000 cars per month, and it will take 8 years to get the 300,000 new cars which we need, and which we have been needing for some years.

AGE OF RAILROAD CARS IN UNITED STATES

Of the railroad cars in the United States today 35 and a fraction percent of them are 26 years old or older, and if you take into consideration the long mileage and use we have made of them in the last 10 year I think you can add an extra 5 years to the age of every car in America, and if that is true, 54.8 percent of the cars in America today should be junked, and it will take 8 years to get 300,000 new cars. In the meantime the cars we have are 8 years older.

We gave the country last year 85 percent of its demand for transportation, and we loaded 942,000 cars last October when we were not moving petroleum. The high point reached during the war was

913,000 cars, including 25,000 cars per day used in the movement of petroleum. So, we loaded last October a number of cars in excess of anything in the war, and above anything since the last war.

In 1930 we had 535,000 more cars than we have today, and we shrunk 50,000 cars between 1945 and 1946.

We have been losing cars at that rate ever since, and we have been building less cars than we did in 1945. We will be another 50,000 cars short this October, and if the United States keeps producing we will get 70 percent of the transportation necessary and the United States will not stand for it.

Senator Reed is holding a hearing which has been going on for 2 weeks, and his position is that we have been robbing the West of cars for the East, and Congressman Wolverton and his committee in Congress are going to hold their hearing next week, his position being that we have robbed the East of cars for the West. However, the actual facts are that as of January 18, the shortage of cars was equal 50.50 in the East, and 49.12 in the West. So, that is a remarkable distribution. Every State in the Union thinks that they are not getting their share of cars. Well, there is only enough to give something less than 85 percent of the transportation demanded.

FUNCTION OF ODT IN CONNECTION WITH CAR SHORTAGE

The CHAIRMAN. Tell us what you have to do in connection with that car shortage.

Colonel JOHNSON. I have this to do with it, we are fighting tooth and nail, and have been fighting for years for more cars, and after 3 or 4 years are making some headway with the CPA and the steel industries and the rail people and the car builders to pull up their production of cars. It has been a fight to the death for 5 years. We were in competition with the War Department and the Navy Department before the War Production Board, of which I was a member, and as I say, we got 4,000 or 5,000 cars a month during the war, and we are now getting 3,000 a month. That fight is gaining finally, and I had some part in it.

I do not think it is going to bear fruit until we really put some priorities on steel. Now, maybe they will do that. The steel people before whom I have appeared, and the railroad people and the CPA, and the car builders have promised to get together and furnish steel for the repair of cars, which is the quickest action I can get, to furnish enough steel for April for 7,000 cars and later in the year for 10,000 cars. Well, we had built cars in 1913 and 1916 at the rate of twelve to fifteen thousand cars a month for the entire year.

The CHAIRMAN. Were they as big and as intricate as they are now?

Colonel JOHNSON. No; they were not quite as big, and not quite as intricate, but there is an infinitesimal addition in the amount of materials required in the building of them.

The CHAIRMAN. But more labor?

Colonel JOHNSON. And greater cost of labor, and the cars are more expensive; then I suppose about \$2,800 and now about \$3,800.

I think there is nothing in America as important today as to cure the boxcar shortage, because the only way to cure it is less production, and a boxcar shortage will cause less production.

The CHAIRMAN. What do you have to do in connection with it?

Colonel JOHNSON. I am the claiming agent for all transportation materials and have been since the creation of the emergency powers.

The CHAIRMAN. You mean you are fighting for the materials to go into boxcars?

Colonel JOHNSON. And all cars.

The CHAIRMAN. And you have control over the distribution of them, have you?

Colonel JOHNSON. I am the controller of the distribution together with the Interstate Commerce Commission, and I am the Commissioner to whom that Bureau, the Bureau of Service reports, so I am totally responsible for the distribution of cars.

The CHAIRMAN. Cannot the Interstate Commerce Commission take care of that distribution problem?

Colonel JOHNSON. Yes; they can by adding the same people that I have to their entourage, which, in my opinion, would, to some extent, slow it up, but it would cost no less money and, perhaps, it would not be as fast or as efficient.

Mr. KING. Were you speaking of the deficiency of the materials or cars after they were built?

Colonel JOHNSON. Cars.

The CHAIRMAN. I was speaking of the control of the cars.

Colonel JOHNSON. Of course.

Mr. KING. After they are finished.

The CHAIRMAN. Yes.

Colonel JOHNSON. It would have to be done the same way, and practically by the same people.

The CHAIRMAN. You mean that you have not a force in the Interstate Commerce Commission that could do this?

Colonel JOHNSON. No; you would have to add these people to the staff of the ICC in order to do it.

The CHAIRMAN. What kind of a set-up do you have to have to get these cars out, or what do you have to do in connection with it?

Colonel JOHNSON. To distribute them?

The CHAIRMAN. No; to get out the production of cars.

Colonel JOHNSON. Why, for a long time, I have been working with the White House and the CPA on that. I have been pressing the CPA to furnish materials since last September, and they have not been furnished yet, but we are finally now about to get them. General Fleming took charge about the 1st of December, and, finally, we have gotten a group of steel people sitting here called a task force distributing necessities among the steel mills for the various car builders.

NUMBER OF PERSONNEL

Mr. WIGGLESWORTH. You have 106 people to take care of all told at the moment?

Mr. WHITE. That is including those service agents.

Colonel JOHNSON. The ICC service agents are men in the field who watch the movement of cars.

Mr. WIGGLESWORTH. I say you have 106 all told.

Colonel JOHNSON. That is right.

Mr. WIGGLESWORTH. 63 in the ODT, and 43 in the ICC Bureau of Service?

Colonel JOHNSON. That is right.

Mr. WHITE. Those are the ones that we pay for in the Bureau of Service, Mr. Wigglesworth.

Colonel JOHNSON. The ICC has about 20 of their own and we pay some 40 of them.

The CHAIRMAN. Why do you need so many people looking after the procurement of cars?

Colonel JOHNSON. A greater number of those are on railroad operations, as we distribute the cars. The greater amount of the work is in the distribution of an insufficient number of cars. Mr. Glenn, Director of Materials and Manpower, and one other assistant are working on the production of cars.

MONTHLY COST OF OPERATION

The CHAIRMAN. How much a month is it costing you for this operation?

Colonel JOHNSON. Well, we estimate that in March it will cost \$51,000, April, \$51,000, May, \$35,000, and June \$15,000.

The CHAIRMAN. And you are figuring on eliminating that activity by when?

Colonel JOHNSON. June 30.

The CHAIRMAN. June 30?

Colonel JOHNSON. Yes, sir.

STATUS OF APPROPRIATIONS

The CHAIRMAN. How much money do you have left out of your appropriation?

Colonel JOHNSON. Well, you remember we had an appropriation of \$525,000 and according to our conversation of a few days ago we were allowed \$62,000 on account of Public Law 390, and that is \$587,000. The estimated expenditures to February 1947, are \$465,000, leaving a balance of \$121,666. Terminal leave, then, will be \$110,000, which would leave us with \$11,666 on February 28. That would be expenses for March at \$51,876, and the same for April, and \$35,000 for May, and \$15,000 for June, and would be a total of \$154,000, and less the \$11,666, would make the \$143,000 which we are requesting today.

AUTHORITY FOR ODT

The CHAIRMAN. Would the authority of the ODT continue through to the 30th of June?

Colonel JOHNSON. To March 31 unless the President's recommendations of a few days ago were to extend it.

The CHAIRMAN. You mean the President has power to extend it?

Colonel JOHNSON. No, sir; he has asked Congress for the extension of some activities.

The CHAIRMAN. This is an appropriation in anticipation of that being extended; is it not?

Colonel JOHNSON. Yes, sir.

The CHAIRMAN. Have you had a hearing on any bill for that purpose?

Colonel JOHNSON. I have not participated in it; no, sir. I think that there has been such a hearing held, but I have not participated in it.

My attorney tells me that the Second War Powers Act terminates on March 31, but there are some functions that would continue beyond that date. I am not quite familiar with that.

HISTORY OF APPROPRIATIONS FOR ODT

I would like to tell this committee some of the things about our appropriation. Our appropriation in 1942 was \$855,000, and we spent \$855,000.

In 1943 it was \$17,000,000, and we spent \$15,000,000, and returned \$2,000,000.

In 1944 it was \$16,650,000, and we spent \$16,406,000, and turned back \$243,000.

In 1945 it was \$17,000,000, and we have spent \$13,800,000, and turned in \$3,200,000.

In 1946 it was \$7,674,000, and we spent \$4,484,000, and turned in \$3,189,000.

We have had \$59,396,000. We spent \$50,650,000, and turned back \$8,746,000.

We have had \$6,600,000 for the operation of federally controlled activities from the President's emergency fund, and we expect to turn in \$4,972,966 out of that, and in those operations were the Great Lakes Towing Co. and the Midwest carriers.

The CHAIRMAN. You said you expected to turn in \$4,000,000?

Colonel JOHNSON. Yes, sir; \$4,972,966.

The CHAIRMAN. Out of which item?

Colonel JOHNSON. Out of \$6,600,000, appropriations from the President's emergency fund, making the cost of administration of all of these which I will read, \$1,627,034, 103 truckers in the Midwest, the famous New York tugboat strike, the entire railroads of the United States for a short time, the Great Lakes Towing Co., which we have turned back, the Illinois Central Railroad, the Puerto Rican railroads, the T. P. & W. Railroad on which we have made 7 million, the Monongahela connecting railroad, the Chicago Transit Co., and the Capital Transit Co., and the total cost to the Government would be \$1,627,034, which we think is a remarkable performance. I do not think anybody has ever turned as great a percentage of it back to the Treasury. We have never spent our appropriation.

The CHAIRMAN. Maybe you had a more persuasive manner to start with in getting appropriations than some of them.

Colonel JOHNSON. Well, maybe that is so, because I have always told this committee honestly what I thought, and they have been very pleasant and very reasonable with me.

SERIOUSNESS OF SHORTAGE OF RAILROAD CARS

I think the shortage of railroad cars in America today is the greatest crisis America has ever faced. You cannot get the man on the street to connect his suit of clothes with his railroads. There is no more coal than the railroads can haul, there is no more wheat than the railroads can haul, and there are not more clothes than you can haul.

When that is ended, or you have reached the limit of your transportation, you have got to stop production.

As I told you a moment ago the railroad loadings today are higher than ever in our history, that is, for the 1st of February.

The prognostication was that this year's transportation during the first quarter would be 8.8 percent above the first quarter of last year. It is already 10.2 percent above it. If that goes through all of the year that way we cannot furnish over 75 percent of the transportation required, and I do not believe that the United States will take it quietly.

JUSTIFICATION OF THE ESTIMATE

The CHAIRMAN. I would like to have you put into the record the first five pages of the justification, including the general statement. That will give us a little picture of the situation.

(The matter referred to is as follows:)

OFFICE OF DEFENSE TRANSPORTATION—SUPPLEMENTAL ESTIMATE OF APPROPRIATION FOR THE FISCAL YEAR 1947 IN THE AMOUNT OF \$143,000

GENERAL STATEMENT

The appropriation for the Office of Defense Transportation in the amount of \$525,000 for the fiscal year ending June 30, 1947, contemplated the termination of the operating activities of the agency about February 28, 1947, and the continuation of a small force beyond that date to complete liquidation of the agency by April 30, 1947. (For convenient reference a copy of our estimate for the original appropriation of \$525,000 is attached as appendix A.)

In view of the continued critical transportation situation with respect to the freight-car supply it now seems advisable to continue these operating activities at the present level of employment through April. During May it is proposed that a reduced staff will continue necessary car-service operations in cooperation with the Bureau of Service of the Interstate Commerce Commission in preparation for the resumption by that Bureau during the fiscal year 1948 of its full responsibilities with respect to car service. Under this revised program, the liquidation of the agency and transfer of records to the Treasury Liquidation Unit and the National Archives will be completed by June 30, 1947.

The transportation situation with respect to the shortage of freight cars now is more serious than during the war years. This is particularly true with respect to boxcars as shown by the attached charts giving the boxcar surpluses and shortages in 1944, 1945, 1946, and at January 25, 1947.

In 1946 the railroads were able to furnish only about 85 percent of the shippers' requirements for cars and no improvement in this respect can be expected in 1947 until production of freight cars equals at least 10,000 cars a month. During 1946 the number of cars produced averaged only 3,493 monthly and only 3,135 cars were produced in December.

In addition to shortages in box cars there are serious shortages in coal cars, refrigerator cars and tank cars, all of which have required the continuous attention of the Office of Defense Transportation organization working in close cooperation with the Bureau of Service of the Interstate Commerce Commission.

Furthermore, it has been necessary to exert all the pressure and exercise all the powers possessed by the Office of Defense Transportation to secure steel for the car building program in order to build up the production from the present low figures of 3,135 cars in December to the necessary 10,000 cars a month. This important activity with respect to materials and new equipment rests with the Office of Defense Transportation alone and is not a function of the Interstate Commerce Commission.

Should the activities of the agency be terminated on February 28, 1947, it seems doubtful whether there will be much improvement in car production, to say nothing of the distribution of the present inadequate supply of freight cars to the best advantage.

The estimated financial position of the agency at February 28 and the estimated expenditures beyond that date which make this request for a supplemental appropriation of \$143,000 necessary if the operations of the agency are to be extended beyond February 28, 1947, are as follows:

Appropriations

Original appropriation.....	\$525, 000
Supplemental, account of Public Law 390, requested by Bureau of Budget.....	62, 405
Total.....	587, 405
Estimated expenditures of February 28, 1947.....	465, 739
Balance at February 28, 1947.....	121, 666
Accrued terminal leave.....	110, 000
Balance after terminal leave.....	11, 666
<i>Estimated expenditures to extend present force beyond February 28, 1947</i>	
March (present force).....	\$51, 876
April (present force).....	51, 876
May (reduced force).....	35, 284
June (reduced force).....	15, 630
Total.....	154, 666
Less balance at February 28, 1947.....	11, 666
Supplemental appropriation required.....	143, 000
Total estimated expenditures to June 30, 1947.....	730, 405
Original appropriation.....	\$525, 000
Supplemental, account of Public Law 390.....	62, 405
Supplemental now requested.....	143, 000
	730, 405

The present force consists of 63 full time Office of Defense Transportation employees, 40 Interstate Commerce Commission Bureau of Service field agents and 3 stenographers paid out of the Office of Defense Transportation appropriation.

The break-down of estimated expenditures of \$730,405 to June 30, 1947, by months for the Office of Defense Transportation employees and for the Interstate Commerce Commission Bureau of Service employees paid by the Office of Defense Transportation is given in the following tables:

Office of Defense Transportation—Estimated expenditures by months for personal services and other obligations, fiscal year ending June 30, 1947

	ODT, Inc. Treasury Liquidation	ICC, Bureau of Service	Total
Personal services:			
Actual:			
July 1946.....	\$24, 991	\$14, 902	\$39, 893
August 1946.....	24, 999	18, 893	43, 892
September 1946.....	25, 415	14, 412	39, 827
October 1946.....	¹ 39, 814	17, 825	57, 639
November 1946.....	25, 689	16, 671	42, 360
December 1946.....	26, 352	17, 416	43, 768
Total to Dec. 31, 1946.....	167, 260	100, 119	267, 379
Estimated:			
January 1947.....	30, 172	18, 076	48, 248
February 1947.....	27, 593	19, 106	46, 699
Total to Feb. 28, 1947.....	225, 025	137, 301	362, 326
March 1947.....	28, 000	16, 376	44, 376
April 1947.....	28, 000	16, 376	44, 376
May 1947.....	19, 863	10, 846	30, 709
June 1947.....	7, 414	5, 316	12, 730
Total to June 30, 1947.....	308, 302	186, 215	494, 517
Accrued terminal leave.....	70, 000	40, 000	110, 000
Total personal services.....	378, 302	226, 215	604, 517

¹ Includes 3 bimonthly pay-roll periods.

Office of Defense Transportation—Estimated expenditures by months for personal services and other obligations, fiscal year ending June 30, 1947—Continued

	ODT, inc. Treasury liquidation	ICC, Bureau of Service	Total
Other obligations:			
Actual:			
July 1946.....	\$30,000	\$2,523	\$32,523
August 1946.....	4,728	6,068	10,796
September 1946.....	1,154	5,713	6,867
October 1946.....	915	5,563	6,478
November 1946.....	820	5,007	5,827
December 1946.....	7,717	3,718	11,435
Total to Dec. 31, 1946.....	45,334	28,592	73,926
Estimated:			
January 1947.....	2,678	4,100	6,778
February 1947.....	18,609	4,100	22,709
Total Feb. 28, 1947.....	66,621	36,792	103,413
March 1947.....	2,500	5,000	7,500
April 1947.....	2,500	5,000	7,500
May 1947.....	1,250	3,325	4,575
June 1947.....	1,250	1,650	2,900
Total to June 30, 1947.....	74,121	51,767	125,888
Total personal services and other obligations to June 30, 1947.....	452,423	277,982	730,405

TOTAL PERSONAL SERVICES AND OTHER OBLIGATIONS

Actual:			
July 1946.....	\$54,991	\$17,425	\$72,416
August 1946.....	29,727	24,961	54,688
September 1946.....	26,569	20,125	46,694
October 1946.....	40,729	23,388	64,117
November 1946.....	26,509	21,678	48,187
December 1946.....	34,069	21,134	55,203
Total to Dec. 31, 1946.....	212,594	128,711	341,305
Estimated:			
January 1947.....	32,850	22,176	55,026
February 1947.....	46,202	23,206	69,408
Total to Feb. 28, 1947.....	291,645	174,093	465,739
March 1947.....	30,500	21,376	51,876
April 1947.....	30,500	21,376	51,876
May 1947.....	21,113	14,171	35,284
June 1947.....	8,664	6,966	15,630
Total to June 30, 1947.....	382,423	237,982	620,405
Accrued terminal leave.....	70,000	40,000	110,000
Total personal services and other obligations.....	452,423	277,982	730,405

NUMBER OF FULL-TIME EMPLOYEES

End of month:			
July 1946.....	76	42	118
August.....	75	41	116
September.....	69	41	110
October.....	69	41	110
November.....	70	42	112
December.....	68	41	109
January 1947.....	63	40	103
February (estimated).....	63	43	106
March (estimated).....	63	43	106
April (estimated).....	63	43	106
May (estimated).....	31	14	45
June (estimated).....		14	14

The CHAIRMAN. Mr. Wigglesworth.

CAUSE OF SHORTAGE OF RAILROAD EQUIPMENT

Mr. WIGGLESWORTH. What is the fundamental cause of this, Colonel?

Colonel JOHNSON. Neglect from a Government standpoint in not insisting on keeping your railroad equipment up to its duties and up to standard. Mr. Wigglesworth, you have asked these same questions since the beginning of the war, and I have answered them. We have neglected to keep our railroads up to their duties. We have not had an adequate amount of reserve cars or service cars since the war started. Formerly, each year we sent 30,000 empty boxcars to the West to move wheat, getting them there beginning in April, and we have not stood a car up in the West in 5 years for that purpose.

Mr. WIGGLESWORTH. You do not have the cars?

Colonel JOHNSON. No, sir; we do not have the cars.

Mr. WIGGLESWORTH. And you cannot get them without steel?

Colonel JOHNSON. No, sir; we cannot get them without steel and other things.

Mr. WIGGLESWORTH. What are you going to do about it?

Colonel JOHNSON. We are going to get the steel.

Mr. WIGGLESWORTH. What part do you play in that?

Colonel JOHNSON. I watch it every day. Here is a railroad that cannot get steel. I go over to see General Fleming about it, and I see the steelmen about it, and I see CPA.

AVAILABILITY OF SURPLUS STEEL

Mr. WIGGLESWORTH. Have you talked with the War Assets Administration at all in this connection?

Colonel JOHNSON. Yes, sir. That is always a spot matter with me. That is, it is not a general matter. For instance, somebody finds something in War Assets, and if they have got to cut corners to get it, I cut them for them. For instance, I got a letter this morning stating that a certain railroad has a certain type of locomotive that has gone out of use, and I turned it over to the War Assets Administration to see what they could do with it.

Mr. WIGGLESWORTH. This committee has had information to the effect that there are very large quantities of steel in the hands of the War Assets Administration, and the War Assets Administration, for one reason or another has not turned them loose.

Colonel JOHNSON. I get that information too.

Mr. WIGGLESWORTH. Do you confirm that?

Colonel JOHNSON. I confirm that as coming to me.

Mr. WIGGLESWORTH. Why has it not been turned loose?

Colonel JOHNSON. I do not know.

Mr. WIGGLESWORTH. Have you tried to get it turned loose?

Colonel JOHNSON. Yes, from time to time. Then, there is another thing right now. As you know, the Government built a large number of troop sleepers and kitchen cars. They built 2,400 sleepers, and they are in War Assets, and it took me a long time to get them declared surplus and get them into the hands of War Assets. We have been trying to get them turned loose by War Assets, but War Assets is going to advertise them, and they cannot get ads in until March 21, and all this month those cars are standing out there and not being used.

Mr. WIGGLESWORTH. What efforts have you made in your present capacity to get some of that steel turned loose by War Assets for building these freight cars we need?

Colonel JOHNSON. To the extent of calling it to the attention of the President of the United States.

Mr. WIGGLESWORTH. Have you taken it up with the CPA?

Colonel JOHNSON. Oh, yes, we have discussed it with them.

Mr. WIGGLESWORTH. Has there been any steel turned loose recently, as far as you know?

Colonel JOHNSON. From time to time we have had spots where there is some steel turned loose, but generally I do not think there has been much of it turned loose.

Mr. WIGGLESWORTH. Do you consider that you have made every conceivable effort to get that steel turned loose and that you have had little or no results?

Colonel JOHNSON. I contacted the War Assets Administration, and at times the White House, the CPA, and made insistent demands that it be turned loose.

Mr. WIGGLESWORTH. What was the general basis of the refusal to turn that loose?

Colonel JOHNSON. You mean the surplus property?

Mr. WIGGLESWORTH. Yes.

Colonel JOHNSON. Well, they have not given me any excuse for it.

The CHAIRMAN. The only excuse they give is that they do not have courage enough to do their job.

Colonel JOHNSON. I do not know.

The CHAIRMAN. That is what they gave me. I asked them.

Colonel JOHNSON. I have gotten some out, but as far as I know there has been no general relief.

NUMBER OF PERSONNEL

Mr. WIGGLESWORTH. One other question, Colonel. You have here at the present time 43 people in the Bureau of Service of the ICC?

Colonel JOHNSON. That is on the ICC rolls.

Mr. WIGGLESWORTH. Although you are paying for them?

Colonel JOHNSON. Yes, sir.

Mr. WIGGLESWORTH. And on top of that you have 63 more that you want to carry along a little longer on the ODT rolls and gradually pare them down?

Colonel JOHNSON. As to the ODT rolls, if you remember, I gave you a graph showing you how rapidly we reduced the number of employees.

Mr. WIGGLESWORTH. You are going to get out of business by June 30?

Colonel JOHNSON. Well, we certainly will, unless I am directed to come down here and ask for an appropriation to continue a longer time.

Mr. WIGGLESWORTH. What are the chances of that "unless"? Does that mean that you are just taking us along through the end of the fiscal year and then that you are coming back for some more, or are you going to get out and turn it back to the ICC?

Colonel JOHNSON. We are going to get out right now if this \$143,000 does not come along.

PROGRAM FOR REMAINDER OF FISCAL YEAR

Mr. WIGGLESWORTH. Suppose it does come along?

Colonel JOHNSON. All right, suppose it does come along, I am promised 7,000 new cars starting delivery in April, and I am promised 10,000 cars at a later date, and if you will pardon me I will go back on that just a little.

Mr. WIGGLESWORTH. I want to get a little more specific answer, Colonel.

Colonel JOHNSON. Yes, I will give you a specific answer.

We started in this year, and we told the Budget that we could close out the ODT December 31, instead of the 1st of June, assuming that cars would be coming in copious quantities and that our export rules would be regulated and fixed, not expecting the coal strike to happen, and then we had to come and extend ourselves to February 28. Now, we are extending the ODT to June. Now, if on June 1, cars are satisfactorily channeled and are going to continue to come in and increase by fall to 12,000 or 14,000 cars a month, and can go forward with an operational program that is fixed we will close up. If not, we will be as necessary as we ever were during the war, but I will have no personal recommendations to make.

Mr. WIGGLESWORTH. As I interpret that, the chances are that you are coming back before June 30 to ask for money for the next fiscal year?

Colonel JOHNSON. Not unless I am directed to do it by the White House——

FUNCTIONS OF PERSONNEL

Mr. WIGGLESWORTH. What do these 106 people do, Colonel? Give that to us in more detail.

Colonel JOHNSON. The 106 people here, of which 63 are ODT——

Mr. WIGGLESWORTH. What do they do? Tell us in some detail. You said you are the claimant agent on transportation.

Colonel JOHNSON. I am tell what they do. They are known as field service agents of the ICC.

Mr. WIGGLESWORTH. But what do they do?

Colonel JOHNSON. They are stationed at various places in the United States, and they cover the railroad yards and the handling of cars by the railroads and by shippers, and have everything to do with the celerity with which railroad transportation is used, and they make reports, and we make reports.

Mr. WIGGLESWORTH. That has nothing to do with this car shortage that is the subject of our attention today?

Colonel JOHNSON. Yes, sir; it has a great deal to do with it.

Mr. WIGGLESWORTH. Indirectly.

Colonel JOHNSON. No sir, it has to do with it directly.

Mr. WIGGLESWORTH. How is that?

Colonel JOHNSON. I told the President of the United States last year that a loading of 925,000 carloads a week was a maximum that the railroads of America could haul. You gentlemen increased my field service force to 60, and by reason of those men in the field, and they are the only people we now have in the field, we loaded 942,000 carloads, directly because those men that you are speaking of now are right with the railroads, right with the cars on the railroad lines.

Mr. WIGGLESWORTH. I understand, but they are not helping you to get steel for these new cars.

Colonel JOHNSON. Not a bit.

Mr. WIGGLESWORTH. And they are on the ICC rolls.

Colonel JOHNSON. Yes, sir.

Mr. WIGGLESWORTH. What are the other 63 doing?

Colonel JOHNSON. Well, I have a railroad director who works 7 days a week watching the distribution of cars and keeping in touch with all railroad activities.

Now, we have a man who polices the heavy loading orders, that go out from ICC on that, which I am informed means the equivalent of 190,000 cars. He has two men or more on that.

I have Mr. Glenn who watches the arrangements to build cars and claim them. He has four persons.

We have one man who watches coal, and now we are exporting more than 300 shiploads of coal per month.

I have a man in Chicago who is my grain expert.

I have a man in Washington who watches this whole relief grain program, which takes into consideration other things going to ports, and he has some help.

I have Mr. King as my deputy director, who, with me, looks over the whole situation.

I have Mr. White, who is my executive officer in these matters that we are discussing right now, and he has how many working with him?

Mr. WHITE. We have 14 in the Director's office, which includes Mr. King and myself. There are 25 in the Railway Transport Department, as the colonel has explained. The general counsel has 6.

Colonel JOHNSON. Our activities are greater today except on motors, and motors are out. We are doing more railroading today than at any time during the war, and the railroads of America are doing better railroading today than they have ever done before with very many fewer cars and the scarcity of cars is growing day by day.

The CHAIRMAN. Mr. Engel.

Mr. ENGEL. I have no questions.

The CHAIRMAN. Mr. Cannon.

IMPORTANCE OF BOXCARS

Mr. CANNON. Boxcars are fundamental in our national economy, Colonel Johnson?

Colonel JOHNSON. There is nothing more fundamental. Slightly less than half of our cars are boxcars. They are old, and they are disintegrating. It takes a high class car for wheat and for high-grade merchandise. We need in the United States, and there is no dispute about it at all, 800,000 boxcars. Today we have just 700,000 boxcars, and, strange to say, with a 5-day week, at times we have loaded over 400,000 boxcars in a week when we had slightly less than 700,000 boxcars. The number of boxcars shrank between 1945 and 1946 15,000. How many more it is going to shrink this year I do not know, but it is the consensus of opinion that this country should have at the earliest possible date 800,000 boxcars.

Mr. CANNON. Both production and consumption are geared to transportation. If they cannot transport, production is going to stop, and consumption is going to be impaired.

Colonel JOHNSON. If the railroads were to be impaired you could not maintain a city as big as Washington for 30 days. Some people in Washington would starve to death before you could get them to where there is food.

INCREASE IN HIGHWAY TRANSPORTATION

Mr. CANNON. Highway transportation is increasing at a tremendous rate.

Colonel JOHNSON. Yes, sir.

Mr. CANNON. Is not that taking some of the burden off of the boxcars?

Colonel JOHNSON. In the months of November and December the truckers moved more goods than ever before since the days of trucking. If it were not for those boys people would shoot me. They would not believe me if I told them the amount of goods they move.

Mr. CANNON. They are alleviating the situation?

Colonel JOHNSON. Oh, sure they are. If it were not for them it would be insufferable. You could not stand it a week. And the railroads are carrying more stuff than ever before with a smaller number of cars.

Mr. CANNON. Then you think we have got to have these boxcars?

Colonel JOHNSON. We have got to have these boxcars. You will slow the production of goods down to the extent you lack cars in which to move them.

ACUTENESS OF PRESENT SITUATION

Mr. CANNON. Now, the surprising thing is that the situation is more acute than it was during the war, that there is a greater need for boxcars than there was at the height of the war. How do you account for that?

Colonel JOHNSON. The war was just play compared to the present situation. We thought we were just killing ourselves working at that time. If we could just live that way again indefinitely I would love it, except for the blood and carnage involved in war.

Mr. CANNON. Is this just a temporary situation which naturally follows the war, or is it ahead of us for several years to come?

Colonel JOHNSON. It is ahead of you if the United States does not drop in its production, and it will be here for 4 or 5 years.

Mr. CANNON. And the bottleneck is steel?

Colonel JOHNSON. Yes, sir; that is the main bottleneck.

IMPORTANCE OF STEEL SUPPLY

Mr. CANNON. If you could get the steel, you could get the other material and labor and you could put the cars on the track?

Colonel JOHNSON. In my opinion if we could solve the steel problem we could practically solve the question. There are also some other things which are involved.

Mr. CANNON. You are using every effort at the present time to get the steel. I believe you say that you have been thrown out of some of the best offices of the country?

Colonel JOHNSON. Yes; they would like to, but they did not quite do it.

Mr. CANNON. I am acquainted, Colonel Johnson, with your pacifist nature, and I trust that you did not take their insults lying down.

Colonel JOHNSON. I guess I lived up to my reputation.

APPRECIATION OF HANDLING OF TRANSPORTATION

Mr. CANNON. I will say this, that if you handle the postwar transportation as well as you handled the war transportation, we will be satisfied and the country will be satisfied. You have done a wonderful job, Colonel Johnson.

Colonel JOHNSON. I appreciate that, Mr. Cannon, but I give you my assurance that we are doing a better job today and the railroads are doing a better job because they have to than they ever did before.

Mr. KING. And the amount of loadings are heavier than they were during the war.

Mr. CANNON. Well, that is an incredible thing.

Colonel JOHNSON. It is higher than it ever was at any time during the war, or in the history of railroading.

Mr. CANNON. During the war when we were concentrating the entire strength of the Nation on production and when, of course, we had to get it to the front from the centers of production, I would have thought that we would have exceeded anything we could have expected after the war.

Mr. KING. The boxcar loadings have gone up every week since VJ-day. We had about 372,000 a week along about that time and they are at least 400,000 now per week.

DEMAND FOR TANK CARS

Mr. CANNON. Incidentally, Colonel Johnson, the great protest from my section of the country and the great demand is for tank cars. There are 50,000 people in my section of the State who have been dependent for years on liquid gas for heating and cooking and for industrial use who cannot get a gallon.

Colonel JOHNSON. There are two causes for that, Mr. Cannon. One is because of the greatly increased use of petroleum gas, and we weathered that all right, but the Army, you know, has launched a big fertilizer program in Japan, Korea, and Manchuria and some places over there, and we had to withdraw for them a lot of pressure tank cars and other tank cars, which caused a serious shortage in that particular field.

Now, last October there was a surplusage of tank cars. We were not moving a large volume of petroleum, but since they have resumed the service of tank cars in America we have some priorities for building pressure tank cars.

Mr. CANNON. And it is a serious thing right here in the midst of winter without any previous warning.

Colonel JOHNSON. Yes, sir. I have an idea that in April we will begin to relieve that pressure. About April we expect that to be relieved to some extent. If not, the supply of cars will be worse in April, and be worse in May, and be worse in June, and it will grow worse.

CONTRIBUTION OF ADDITIONAL FUNDS TOWARD SOLUTION OF
TRANSPORTATION PROBLEM

Mr. CANNON. You maintain, then, Colonel, that by providing your office with this additional small amount of money we can contribute materially to the solution of this whole problem?

Colonel JOHNSON. I do not think we could spend more money, but without criticism, I do not think you would be able to do it without the ODT. In saying that that is no disparagement of ICC. This is an emergency matter to be handled with this personnel. Those things involving greater deliberation have been left in the Commission. The Commission has not had that sort of experience. Now, even in the emergency we kept the ODT in the war writing a lot of orders in the ICC, where the ideas originated under ODT, because the ICC orders have a dignity to them to which these people are accustomed. So, every order I can make ICC, I make ICC, but we are all right there together under the same roof, and it just works like one organization.

The CHAIRMAN. Mr. Kerr.

Mr. KERR. Mr. Johnson, you have made a very interesting statement, so far as I am concerned. Of course, your organization does not undertake to build cars?

Colonel JOHNSON. Oh, no, sir.

Mr. KERR. You will just simply contact manufacturers and determine where cars are needed and who can make them and get the materials as far as you can to help them get cars?

Colonel JOHNSON. That is right, sir.

EXTENT OF USE OF HIGHWAY TRANSPORTATION

Mr. KERR. I was very much interested in a question Mr. Cannon just asked you a while ago in reference to supplementing the transportation in this country by use of these highway trucks.

Colonel JOHNSON. Yes, sir.

Mr. KERR. These larger railroads have gone into using them themselves, have they not, as it enables them to furnish so much more transportation?

Colonel JOHNSON. Why, sure they have.

Mr. KERR. I have been so informed, and I think it is true.

Colonel JOHNSON. Oh, yes; it is simply gigantic.

Mr. KERR. For short hauls they use highway trucks.

Colonel JOHNSON. And not entirely for short hauls. A few days ago I heard of one hauling bananas into the Dakotas out of New Orleans by truck. Think of that. Trucks are moving more stuff than ever before.

LIFE OF BOXCAR

Mr. KERR. What is the lifetime of a boxcar?

Colonel JOHNSON. About 25 years—that is the average—and, as I say, over 35 percent of them today are over 26 years old, and what will happen in the next 8 years I do not know, but this country is going to build cars, or it is going to have a bitter experience and the people are going to be indignant, and they will want to know what is the matter with Congress, and what is the matter with ODT and what is the matter with ICC and the rest of the executives of this Nation, and

I do not see how we are going to furnish over 75 percent of the transportation demanded of the railroads this year, no matter how copiously we build cars.

Mr. KERR. Mr. Chairman, I have no further questions.

(Discussion off the record.)

EXTENT OF SHORTAGE OF BOXCARS

Mr. MAHON. Mr. Johnson, you say we have about 700,000 boxcars?

Colonel JOHNSON. Yes, sir.

Mr. MAHON. And I heard you say, I think, that we needed 300,000 more cars?

Colonel JOHNSON. 100,000 more boxcars.

Mr. MAHON. Oh, I see the point.

Colonel JOHNSON. Yes, cars. Now, boxcars are only slightly more scarce than other cars. As to the whole car field generally, it is a crime in a nation like this. There is a shortage in all cars.

Mr. MAHON. You have about 700,000 boxcars?

Colonel JOHNSON. That is right.

Mr. MAHON. I see the point. Of course, they are deteriorating, so many per month or per week?

Colonel JOHNSON. I get an estimate stating that we are using up 5,000 to 7,000 cars of all sorts per month.

Mr. MAHON. If these cars are so much required, and I know they are, because we are in desperate shape down in my district. We cannot move out our corn sorghum and it is lying out on the ground, subject to the elements.

PRICE DIFFICULTY IN CONNECTION WITH STEEL FOR RAILROAD CARS

With private industry having all restrictions off and wage controls off, why can they not go out and build these boxcars faster? Why do they not bid the steel up and get it for building cars?

Colonel JOHNSON. The automobile manufacturers have no trouble getting steel. Steel manufacturers get more for steel of that sort.

Mr. MAHON. But it is an open market, is it not?

Colonel JOHNSON. But they sell where it is most profitable to sell the steel.

Mr. MAHON. Why do not the railroads pay more for it?

Colonel JOHNSON. Well, they have a price for railroad steel.

Here is a statement on steel—on the high output of steel—and it is in that matter that I gave you: "High output of steel will vanquish shortages—shipments break records"; "more cold rolled sheets delivered in 9 months than in any full year except 1941 and 1945." Then there is a tabulation which shows jobbers and dealers got 19½ percent of all the steel, and next the automobile industry. Now, compare that with the year before, and automobiles are getting nearly three times the steel they got before. Now, the next one is steel converting and processing, and they got a little less. Now, there is that great ordnance demand of Army and Navy, and they are getting none, and up at the top the shipbuilders are getting almost none. All of that steel goes somewhere. Containers—that is, tanks and

bottles—and things of that sort are getting more. Construction gets more, and railroads get less than they got a year before.

Mr. MAHON. That is because it is more profitable to the steel manufacturers to sell to the these other people?

Colonel JOHNSON. Yes. There is not any other answer.

The CHAIRMAN. You mean this thin steel?

Colonel JOHNSON. Yes; this light stuff brings more money.

Mr. ENGEL. What about your exports of steel?

Colonel JOHNSON. Exports are getting about 6 percent.

The CHAIRMAN. Is that more or less than it was before?

Colonel JOHNSON. Exports are higher, but I do not believe the exports are on here.

Mr. ENGEL. Yes; the third one down.

Colonel JOHNSON. Yes. The exports are getting a little less.

Now, the steel people will say I am a traducer, and say that this is not so, but look at the jobbers and dealers down there, and that is the steel people themselves. When they store it in their warehouses they call them jobbers. The steel people are not in my field. I can talk about it. I cannot talk steel like I can some other things, but the rail men and the CPA men I can talk to. I cannot go out and talk to the steel people. I am supposed to talk to them through the CPA, and I talked to CPA and their boys on that.

Now, they have some priorities for tank cars, but I tell you that tank cars are not nearly as important to the United States as boxcars and I have not yet gotten a priority for boxcars, but I have had some fine promises.

Mr. MAHON. Well, the lumber people could sell their lumber to the railroads for higher prices during OPA control than to others.

Colonel JOHNSON. If they do not get some more cars out they are not going to be able to ship their products, and the lumber people are going to be slowed down for want of cars, on their quantity of steel and their quantity of lumber and their quantity of other things, and the railroads will benefit them more than if they get the materials themselves.

I tell you everything in the United States is going to be slowed down this year if they try to go at the speed they are going. It cannot be helped.

Mr. MAHON. Thank you very much.

DUAL CAPACITY OF THE DIRECTOR

Mr. WIGGLESWORTH. You still have a dual capacity, in that you are still with ODT, and also on the Commission?

Colonel JOHNSON. Yes; I am a member of the Commission and I am Director of the ODT. My entire salary is just like it was. I do not draw a cent from ODT, not one cent. I could live a quiet life along with my brother Commissioners at the same salary as the other Commissioners. I have no interest except the need of the United States for transportation, and it is larger than anything else in America.

The CHAIRMAN. All right, Colonel; thank you.

Colonel JOHNSON. Thank you, gentlemen, and good morning.

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[COMMITTEE PRINT]

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80TH CONGRESS } HOUSE OF REPRESENTATIVES { REPORT
1st Session } No. 26

URGENT DEFICIENCY APPROPRIATION BILL, 1947

FEBRUARY —, 1947.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

MR. TABER, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H. R. 1968]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1947, and for other purposes.

The estimates upon which the bill is based are contained in House Documents Nos. 55, 61, 63, and 76.

TITLE I—APPROPRIATIONS

The committee has received a number of deficiency items in addition to those included in the accompanying bill which it has not had time to consider and is reporting only those items in which an urgent and immediate need appears. Consideration will be given to other pending estimates within the next few weeks.

OFFICE OF DEFENSE TRANSPORTATION

The appropriation for the Office of Defense Transportation for the fiscal year 1947, in the amount of \$525,000, contemplated the termination of the activities of the agency by February 28, and the continuation of only a skeleton force beyond that date looking to final liquidation by April 30. It was thought at the time of the consideration by Congress of this appropriation that the transportation difficulties of the Nation would have been met in time for the Office of Defense Trans-

portation to go out of business by February 28. However, due to a number of factors, the freight car shortage, the principal transportation problem, has continued and is, in fact, far more serious today than it was in 1945 and 1946. The wartime shortages turned to an actual surplus of cars during March, April, and May of 1946 but a shortage developed in June of 1946 and has continued. On January 25 it was in excess of 15,000 cars. The statement is made by the Office of Defense Transportation that the shortage of freight cars now is more serious than during the war years and it is expected that this shortage will continue until production equals at least 10,000 cars per month. The average monthly production during 1946 was 3,493 and 3,135 were produced in December. The major difficulty results from the bottleneck in steel which has been contributed to in no small degree by the failure of the War Assets Administration to make surplus steel available for use. The release of surplus steel several months ago would have gone a long way toward relieving the situation and it might not now be necessary to continue the Office of Defense Transportation during the next few months for the purpose of securing the construction of necessary cars.

The Budget estimate for the remainder of the necessary period of activity, ending on April 30, 1947, with a reduced staff in May and final liquidation by June 30, 1947, was \$143,000, but the committee has determined that \$130,000 will prove adequate for these purposes.

The Committee on Appropriations regrets the necessity for extending the life of any of the war agencies a single day, but is confronted with the failure of the Civilian Production Administration and the War Assets Administration to meet their obligations in the production and allocation of steel and, therefore, must keep another agency alive long enough to put the country's transportation system in position to meet the requirements of business. Any failure in this respect would delay the very rapid and noteworthy conversion to a peacetime economy which private business is accomplishing.

VETERANS' ADMINISTRATION

ADMINISTRATION, MEDICAL, HOSPITAL, AND DOMICILIARY SERVICES

The original appropriation for this purpose was \$553,805,915 and the committee, confronted with a deficiency request of \$307,258,000, was informed that the original appropriation would be exhausted by the latter part of February. The committee has held a brief conference with the Administrator of Veterans' Affairs and has determined that the existing conditions in the Veterans' Administration require very careful hearings and exhaustive study before the appropriation of the amount proposed. The committee recognizes the fact that the laws providing for veterans care and rehabilitation must be carried out and is anxious to make every provision necessary to meet all requirements. However, the committee is not at all satisfied that the Veterans' Administration is taking proper precautions to conserve the Government's funds in the cost of administration and desires to secure full information on this point. The numbers of people employed in administration of certain phases of the act appear to be larger than necessary and the committee is desirous of going further into the matter before providing for the full program.

The supplemental estimate was submitted to the Bureau of the Budget on January 7 and transmitted to the Congress January 30.

The Veterans' Administration's explanatory matter and justifications were presented to the committee on February 8, obviously giving the committee insufficient time to make a detailed study of the situation and make funds available by the time present funds are exhausted at the end of February.

Because of these and other similar factors, the committee is unwilling to appropriate the full amount at this time and, in order to meet the emergency which will arise before the end of February, is recommending an appropriation of \$135,000,000 to meet pay rolls, etc., until such time as the committee is able to secure the full and detailed data necessary to an intelligent judgment of the needs of the agency for the remainder of the year. The amount proposed, \$135,000,000, should be sufficient to meet requirements until March 31, 1947. Hearings on the estimate will be conducted at a later date.

MILITARY AND NAVAL INSURANCE

The original appropriation for this fund was \$1,472,000 and a supplemental estimate of \$4,125,500 was submitted. The committee has not had an opportunity to go into the matter and is providing \$1,000,000 to meet the requirements through the month of March by which time it will expect to have another opportunity to explore the matter thoroughly and make provision for the additional requirements to the end of the year.

VETERANS' REHABILITATION REVOLVING FUND

This fund was originally appropriated in 1943 for the purpose of providing emergency loans, not exceeding \$100 in any one case, to enable veterans to pay railroad fare and other incidental expenses incident to entering upon rehabilitation training. Repayments of loans are deposited into the fund for the making of additional loans and so far \$3,500,000 have been loaned out of a \$1,000,000 original capital. The amount of loans now outstanding is in excess of \$900,000 and leaves the administration without funds to meet additional demands. The estimate proposed an additional appropriation of \$500,000 to this fund and the committee is recommending that \$200,000 be appropriated pending the time when a thorough study can be made of the situation with a view to final evaluation of the condition of the fund and future needs.

TREASURY DEPARTMENT

DIVISION OF DISBURSEMENT, SALARIES AND EXPENSES

The appropriation for this Division, which is the agency charged with responsibility for the drawing of checks and making payments for most of the agencies of Government, \$6,275,000, contemplated 61,000,000 items for the Veterans' Administration, whereas it appears now the total actually will be nearer 84,000,000 items, and 7,000,000 items for the refund of internal revenue taxes, whereas present estimates indicate there will be in excess of 30,000,000 such items. The increase in Veterans' Administration items results from underestimation of the number of veterans who would be receiving benefits of various sorts during the year. For example, a year ago the Veterans' Administration estimated that there would be about 670,000

veterans attending school under the GI bill, whereas the actual number, it now develops, is nearer 2,000,000. In addition to these increased work loads, an act passed in the last days of the session of Congress last year increased all benefit rates and made it necessary for the Division of Disbursement at considerable expense to change all of the addressograph plates of the payees under such acts.

The payment of income tax refunds is larger than contemplated because of a shift in the program which makes these payments available much earlier than would otherwise be the case and the Division must make payments in this fiscal year which, it was contemplated, would not be made until the ensuing fiscal year.

On account of these unforeseen factors, the original appropriation is far less than adequate. The supplemental estimate is in the amount of \$3,520,100, but a careful recomputation by the committee after hearings indicates that on the basis of the rate of expenditure during the first 6 months of the year \$3,000,000 will prove sufficient and, therefore, that amount is provided.

TITLE II—RESCISSIONS

Title II of the bill proposes to rescind all amounts suggested by the President in his message of January 15 (H. Doc. 55). On account of the time-consuming preparation of the legislative budget and other matters, there has not been time for Members of the committee to conduct hearings on many of the funds involved, and the committee expects, at the first opportunity, to hold hearings on the items in the President's recommendation and on such other funds available for expenditure as, in its judgment, might be rescinded. Hearings have been held with respect to the Office of Price Administration, the Civilian Production Administration, and the Office of War Mobilization and Reconversion, and additional rescission in these agencies over and above the amounts recommended by the President are included in the bill.

Following is a tabulation of the amounts proposed by the President and additional amounts recommended for rescission by the committee:

	Recom- mended in H. Doc. 55	Additional recommen- dations of committee	Total amount of rescis- sion
Office of Price Administration.....		\$9,000,000	\$9,000,000
Civilian Production Administration.....	\$1,200,000	1,200,000	2,400,000
Office of War Mobilization and Reconversion.....		60,000	60,000
Other items recommended in H. Doc. 55:			
Appropriations.....	562,688,579		562,688,579
Contract authorizations.....	132,000,000		132,000,000
Total.....	695,888,579	10,260,000	706,148,579

OFFICE OF PRICE ADMINISTRATION

The Office of Price Administration had appropriations for the fiscal year 1947 in the amount of \$101,000,000, and, through November 30, had obligated \$56,970,000. By that date, all of the control functions of the agency, except a very few had been eliminated and drastic reductions in force were in order; yet the personnel currently on the rolls is approximately one-half the number employed on November 30.

Rent control is the largest function left, and on February 1, there were 6,774 employees engaged in rent control as compared with 5,310 on July 1. The sugar program had 2,152 employees on February 1, as compared with 2,375 on July 1. The executive and administrative branches had a total of 1,994 on February 1, as compared with 3,217 on July 1, at a time when the agency was staffed to handle all activities of the Price Control Act; 228 persons are employed in the so-called Public Records Division, which is engaged in closing the records of the Office of Price Administration for delivery to the Archivist, and also in preparing a history of the operations of the agency. The agency contemplates having a minimum of 162 employees in this activity until June 30, 1947.

It was stated to the committee that the agency had available for expenditure for the last half of the year \$27,649,622, and that it would be necessary to make an additional appropriation of \$5,950,000, in order to meet requirements of the program, \$33,599,622 to June 30, 1947. After lengthy hearings, the committee is convinced that if the residual activities are administered on an economical basis, and all surplus employees are immediately separated from the pay rolls, it will be possible for the agency to discharge its full responsibilities under the law, wind up its affairs, and turn over all necessary records to the Archivist and, at the same time, not only avoid the deficiency, but make possible a rescission of an additional \$9,000,000.

CIVILIAN PRODUCTION ADMINISTRATION

The Civilian Production Administration proposed a rescission of \$1,200,000. The proposal of the Office of Temporary Controls is that CPA shall continue in operation until December 31, 1947, but the committee can see no justification for continuing it beyond June 30, 1947, and was informed in the hearings that if such a final liquidation date were determined upon an additional \$1,000,000 could be rescinded. Careful analysis of the proposed expenditures for travel, communication, etc., indicate that \$200,000 additional savings might be effected through economics. The committee, therefore, proposes that the rescission be in the amount of \$2,400,000, and has included language in the bill to require final liquidation by June 30, 1947. Practically all of the controls administered by the Civilian Production Administration are now out of existence, and those few remaining are of dubious value. The salutary effect on production and the reconversion of business to a normal peacetime basis of the elimination of controls already removed would indicate that the earlier all such restrictions are taken off the economy of the country, just that much sooner will we reestablish the solid foundations of a free American economy.

OFFICE OF WAR MOBILIZATION AND RECONVERSION

The Office of War Mobilization and Reconversion will expire by law on June 30, 1947, and it has been stated to the committee that no recommendation will be made for extension of this law. The original estimate contemplated no rescission of funds but the committee was advised in the hearings that in the light of later developments a minimum of \$46,000 may be rescinded. Computations by the committee of probable savings in terminal leave and other items lead to the conclusion that the amount of \$60,000 is safely rescindable. This amount is therefore recommended.

URGENT DEFICIENCY APPROPRIATION BILL, 1947

Comparative statement of the amounts of the Budget estimates and of the amounts recommended to be appropriated by the bill

[The year indicated after each item denotes the fiscal year]

House Doc. No.	Department or agency	Amount of Budget estimate	Amount recommended in the bill	Increase (+) or decrease (-), bill compared with Budget estimates
TITLE I—GENERAL APPROPRIATIONS				
LEGISLATIVE				
HOUSE OF REPRESENTATIVES				
	Beneficiaries of deceased Representatives	-----	\$30,000.00	+\$30,000.00
EXECUTIVE OFFICE OF THE PRESIDENT				
OFFICE FOR EMERGENCY MANAGEMENT				
61	Office of Defense Transportation, 1947	\$143,000.00	130,000.00	—13,000.00
INDEPENDENT OFFICES				
VETERANS' ADMINISTRATION				
76	Administration, medical, hospital, and domiciliary services, 1947	307,258,000.00	135,000,000.00	—172,258,000.00
76	Military and naval insurance, 1947	4,125,500.00	1,000,000.00	—3,125,500.00

76	Vocational rehabilitation revolving fund (no year)-----	500, 000. 00	200, 000. 00	-300, 000. 00
	Total, Veterans' Administration-----	311, 883, 500. 00	136, 200, 000. 00	-175, 683, 500. 00
	TREASURY DEPARTMENT			
	FISCAL SERVICE--BUREAU OF ACCOUNTS			
63	Division of Disbursement, salaries and expenses, 1947-----	3, 520, 100. 00	3, 000, 000. 00	-520, 100. 00
	Total, title I, general appropriations-----	315, 546, 600. 00	139, 360, 000. 00	-176, 186, 600. 00

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NOTICE: This bill is given out subject to release when consideration of it has been completed by the Whole Committee. Please check on such action before release in order to be advised of any changes.

[COMMITTEE PRINT]

Union Calendar No.

80TH CONGRESS
1ST SESSION

H. R. 1968

[Report No. 36]

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY , 1947

Mr. TABER, from the Committee on Appropriations, reported the following bill; which was committed to the Committee of the Whole House on the State of the Union and ordered to be printed

A BILL

Making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1947, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, to supply urgent
5 deficiencies in certain appropriations for the fiscal year
6 ending June 30, 1947, and for other purposes, namely:

1 TITLE I—GENERAL APPROPRIATIONS

2 LEGISLATIVE

3 HOUSE OF REPRESENTATIVES

4 For payment to the widow of William J. Gallagher,
5 late a Representative from the State of Minnesota, \$10,000.

6 For payment to the widow of William B. Barry, late
7 a Representative from the State of New York, \$10,000.

8 For payment to the widow of Robert K. Henry, late
9 a Representative from the State of Wisconsin, \$10,000.

10 EXECUTIVE OFFICE OF THE PRESIDENT

11 OFFICE FOR EMERGENCY MANAGEMENT

12 OFFICE OF DEFENSE TRANSPORTATION

13 Salaries and expenses: For an additional amount, fiscal
14 year 1947, for "Salaries and expenses"; \$130,000.

15 INDEPENDENT OFFICES

16 VETERANS' ADMINISTRATION

17 Administration, medical, hospital, and domiciliary serv-
18 ices: For an additional amount, fiscal year 1947, for "Ad-
19 ministration, medical, hospital, and domiciliary services",
20 \$135,000,000: *Provided*, That the amount available to repair,
21 alter, improve, or provide facilities in the several hospitals
22 and homes under the jurisdiction of the Veterans' Adminis-
23 tration is increased to \$5,500,000; and the limitation on travel
24 expenses imposed by section 105 of the Independent Offices
25 Appropriation Act, 1947, is increased to \$8,043,000.

Military and naval insurance: For an additional amount, fiscal year 1947, for "Military and naval insurance", \$1,000,000, to remain available until expended.

Vocational rehabilitation revolving fund: To increase the "Vocational rehabilitation revolving fund (Act of March 24, 1943)", created by the Urgent Deficiency Appropriation Act, 1943, \$200,000.

TREASURY DEPARTMENT

FISCAL SERVICE—BUREAU OF ACCOUNTS

Division of Disbursement, salaries and expenses: For an additional amount, fiscal year 1947, for "Division of Disbursement, salaries and expenses", \$3,000,000.

TITLE II—REDUCTIONS IN APPROPRIATIONS AND AUTHORIZATIONS

Amounts available to the departments and agencies from appropriations and other funds are hereby reduced in the sums hereinafter set forth, such sums to be carried to the surplus fund and covered into the Treasury immediately upon the approval of this Act:

EXECUTIVE OFFICE OF THE PRESIDENT

Office for Emergency Management:

Office of Scientific Research and Development:

Working fund, Executive, Emergency Management (Office of Scientific Research and Development), 1942-1946, \$2,044,477.

1 Working fund, Executive, Emergency Manage-
2 ment (Office of Scientific Research and Develop-
3 ment) , 1940-1946, \$160,744.

4 Working fund, Executive, Emergency Manage-
5 ment (Office of Scientific Research and Develop-
6 ment) , 1945. \$6,688,979.

7 Office of Temporary Controls:

8 Salaries and expenses, Civilian Production
9 Administration functions, Office of Temporary
10 Controls, 1947, \$2,400,000: *Provided*, That the
11 Civilian Production Administration shall be discon-
12 tinued and its affairs placed in liquidation not later
13 than June 30, 1947.

14 Salaries and expenses, Office of Price Admin-
15 istration functions, Office of Temporary Controls,
16 1947, \$9,000,000.

17 Salaries and expenses, Office of War Mobiliza-
18 tion functions, Office of Temporary Controls,
19 1947, \$60,000.

20 FUNDS APPROPRIATED TO THE PRESIDENT

21 Emergency fund for the President, national defense,
22 1942-1947, \$2,500,000.

INDEPENDENT OFFICES

Atomic Energy Commission: Atomic energy, Executive (allotment to Atomic Energy Commission), 1942-1947, \$40,000,000.

Price Decontrol Board: Salaries and expenses, Price Decontrol Board, 1947, \$195,212.

United States Maritime Commission:

Construction fund, United States Maritime Commission, Act June 29, 1936, revolving fund, \$265,000,000, and the contract authorization under this head is hereby reduced in the sum of \$132,000,000.

Emergency ship construction fund, United States Maritime Commission, \$1,251,691, together with the unexpended balance: *Provided*, That hereafter the United States Maritime Commission construction fund shall be available for the payment of obligations previously incurred against the emergency ship construction fund.

Working fund, Maritime Commission (Navy Department), \$60,265,686.

Working fund, Maritime Commission (War Department), 1942-1945; working fund, Maritime Commis-

1 sion (War Department), 1945; working fund, Maritime
2 Commission (War Department), 1942-1946, \$834,845.

3 Working fund, United States Maritime Commission,
4 War Shipping Administration functions, December 31,
5 1946, \$358,679.

6 Working fund, United States Maritime Commis-
7 sion, War Shipping Administration functions, 1945,
8 \$270,006.

9 Veterans' Administration:

10 Adjusted service and dependent pay, Veterans' Ad-
11 ministration, \$71,631.

12 Military and naval compensation, Veterans' Ad-
13 ministration, \$16,693.29.

14 Military and naval family allowance, Veterans' Ad-
15 ministration, \$11,155.97.

16 Hospital facilities and services, Veterans' Adminis-
17 tration, \$8,469.39.

18 Vocational rehabilitation, Veterans' Administration,
19 \$6,441.71.

20 FEDERAL SECURITY AGENCY

21 Office of Education:

22 Working fund, Federal Security Agency, Office of
23 Education, 1946, \$2,600.

24 Working fund, Federal Security Agency, Office

of Education (advance from Veterans' Administration),
1947, \$41,800.

Public Health Service: Working fund, United States
Public Health Service, 1946, \$12,664.

Office of the Administrator:

Civilian war benefits, Federal Security Agency,
1947, \$18,000.

Civilian war assistance, Federal Security Agency,
1947, \$1,000,000.

FEDERAL WORKS AGENCY

Public Buildings Administration:

Social Security Board and Railroad Retirement
Board buildings, Washington, District of Columbia,
Public Buildings Administration, \$46,914.

War Department buildings, Washington, Dis-
trict of Columbia, Public Buildings Administration,
\$150,000.

Great plaza development, triangle, Washington,
District of Columbia, Public Buildings Administration,
\$7,250.

Emergency construction of public buildings, Public
Buildings Administration, act of June 19, 1934, \$5,955,
together with the unobligated balance as of June
30, 1947.

1 Emergency construction of public buildings, Public
2 Buildings Administration, Act of August 12, 1935,
3 \$5,755, together with the unobligated balance as of
4 June 30, 1947.

5 Emergency construction of public buildings, Public
6 Buildings Administration, Act of June 22, 1936,
7 \$11,661, together with the unobligated balance as of
8 June 30, 1947.

9 Federal office buildings numbered 2 and 3, in or
10 near the District of Columbia, Public Buildings Admin-
11 istration, unobligated balance, June 30, 1947.

12 Emergency safeguarding of public buildings and
13 property, Public Buildings Administration, \$10,000,
14 together with the unobligated balance as of June
15 30, 1947.

16 Working capital fund, Public Buildings Adminis-
17 tration, \$2,500.

18 Veterans' decentralization allowances, Public Build-
19 ings Administration, 1947-1948, \$40,000.

20 Materials testing laboratory and equipment, Na-
21 tional Bureau of Standards (transfer to Federal
22 Works Agency, Public Buildings Administration),
23 \$7,797.

Working fund, Federal Works Agency, Public Buildings Administration, \$126,445.

Working fund, Federal Works Agency, Public Buildings Administration, 1946, \$51,453.

Public Roads Administration:

Access roads, Public Roads Administration (national defense), \$1,897,030.

Strategic highway network, Public Roads Administration (national defense), \$278,158.

Flood relief, Missouri, Mississippi, Louisiana, and Arkansas, for restoration of roads and bridges, Public Roads Administration, unobligated balance, June 30, 1947.

NATIONAL HOUSING AGENCY

Federal Public Housing Authority:

National defense housing, temporary shelter, Office of Administrator, National Housing Agency (transfer to Federal Public Housing Authority), \$142,098.

War housing in and near the District of Columbia, Federal Public Housing Authority, \$85,469.

Construction fund, United States Maritime Commission, Act June 29, 1936 (transfer to National

1 Housing Agency, Federal Public Housing Authority),
2 \$574,096.

3 DEPARTMENT OF AGRICULTURE

4 Office of the Secretary:

5 Working fund, Agriculture, general, \$23,666.77.

6 Working fund, Agriculture, general, 1942-1946,
7 \$78,669.52.

8 Bureau of Agricultural Economics: Working fund, Agri-
9 culture, Bureau of Agricultural Economics, \$16.25.

10 Extension Service:

11 Working fund, Agriculture, Extension Service,
12 1941-1946, \$3,655.

13 Working fund, Agriculture, Extension Service
14 (special fund), \$475.76.

15 Agricultural Research Administration:

16 Office of the Administrator:

17 Removal and reestablishment of Arlington
18 Farm, Virginia (transfer to Agriculture), \$162,-
19 400.18.

20 Working fund, Agriculture, Agricultural Re-
21 search Administration, 1942-1946, \$34,813.89.

22 Working fund, Agriculture, Agricultural Re-
23 search Administration, 1946, \$48,000.

24 Bureau of Plant Industry, Soils, and Agricultural
25 Engineering: Rubber investigations, Bureau of Plant

1 Industry, Soils, and Agricultural Engineering, \$105.70.

2 Forest Service:

3 Working fund, Agriculture, Forest Service, 1942–
4 1946, \$51,465.66.

5 Working fund, Agriculture, Forest Service, 1946,
6 \$82,823.93.

7 Acquisition of lands, \$36.56.

8 Soil Conservation Service:

9 Working fund, Agriculture, Soil Conservation Serv-
10 ice, 1941–1946, \$128.

11 Working fund, Agriculture, Soil Conservation Serv-
12 ice, 1942–1946, \$26,069.

13 Production and Marketing Administration:

14 Conservation and use of agricultural land resources,
15 Department of Agriculture, 1946–1947, \$8,945,000.

16 Administration of Price Adjustment Act of 1938,
17 Department of Agriculture, \$85,638.

18 Exportation and domestic consumption of agricul-
19 tural commodities, Department of Agriculture (cotton
20 price adjustment), \$139,068.

21 Payments for agricultural adjustment, Department
22 of Agriculture, \$4,505.

23 Community facilities, defense public works, Office
24 of Administrator, Federal Works Agency (transfer to
25 Agriculture), \$11,895.

1 DEPARTMENT OF COMMERCE

2 Bureau of the Census:

3 Working fund, Commerce, Bureau of the Census,
4 1947, \$21,500.

5 Working fund, Commerce, Bureau of the Census,
6 1946, \$11,385.

7 Coast and Geodetic Survey:

8 Working fund, Commerce, Coast and Geodetic Sur-
9 vey, \$4,816.65.

10 Working fund, Commerce, Coast and Geodetic Sur-
11 vey, 1942-1946, \$8.11.

12 National Bureau of Standards:

13 Working fund, Commerce, Standards, 1942-1946,
14 \$12,335.69.

15 Working fund, Commerce, Standards, 1946,
16 \$84,345.

17 Working fund, Commerce, Standards, \$365.22.

18 Station for broadcasting standard frequencies,
19 National Bureau of Standards, \$1,000.

20 DEPARTMENT OF THE INTERIOR

21 Bureau of Indian Affairs:

22 Purchase of land for Navajo Indians, Arizona (re-
23 imburseable), \$308.02.

Construction, irrigation systems, Indian Service (reimbursable), \$9,865.90.

Construction, buildings and utilities, Indian Service, \$131,407.71.

Support of Wisconsin Band of Potawatomie, Wisconsin and Michigan (reimbursable), \$500.21.

Working fund, Interior, Indians, \$25,538.66.

Working fund, Department of the Interior, subsistence, homestead project, \$2,092.97.

Bureau of Mines:

Reduction of zinc concentrates with methane gas, Bureau of Mines (national defense), \$4,133.

Drainage tunnel, Leadville, Colorado, \$29,081.

Working fund, Interior, Mines (Office of Scientific Research and Development), 1946, \$130,000.

Working fund, Interior, Mines, Army, Engineer Service, 1942-1946, \$43,905.

National Park Service:

Roads and trails, national parks, emergency construction, act of June 19, 1934, \$22.

Working fund, Interior, National Park Service (advance from War Department), \$14,000.

1 Government in the Territories: Emergency fund, Terri-
2 tories and island possessions (national defense), \$121,000.

3 DEPARTMENT OF JUSTICE

4 Federal Prison System:

5 Buildings and equipment, penal institutions,
6 \$865,000.

7 United States Industrial Reformatory, Chillicothe,
8 Ohio, construction, \$89.71.

9 United States Northeastern Penitentiary, Lewis-
10 burg, Pennsylvania, construction, \$1,636.78.

11 Public Works Administration, Act of 1938 (allot-
12 ment to Justice, prisons), \$1,702.52.

13 Federal jails, buildings, and equipment (Sand-
14 stone), \$370.35.

15 Working fund, Justice, prisons, \$149,729.70.

16 DEPARTMENT OF LABOR

17 Office of the Secretary:

18 Veterans' housing, Office of Administrator, National
19 Housing Agency (transfer to Labor), \$3,368.

20 Migration of workers, War Manpower functions,
21 Department of Labor, 1944, \$652,376.

22 Migration of workers, War Manpower functions,
23 Department of Labor, 1945, \$4,884.

24 Bureau of Labor Statistics: Working fund, Labor, Labor

1 Statistics (advance from National Housing Agency),
2 \$237.68.

3 National Wage Stabilization Board: Salaries and ex-
4 penses, National Wage Stabilization Board, Department of
5 Labor, 1947, \$1,191,900.

6 NAVY DEPARTMENT

7 Bureau of Supplies and Accounts:

8 Naval working fund, \$50,000,000.

9 Naval procurement fund, \$50,000,000.

10 Strategic and critical materials, Navy, \$94.

11 Reserve material, Navy, \$62,800.

12 Bureau of Yards and Docks:

13 Public works, Bureau of Yards and Docks, 1947,
14 \$15,108,514: *Provided*, That hereafter no obligations
15 shall be incurred against the contract authorization pro-
16 vided under this head prior to July 1, 1946.

17 Increase and replacement of naval vessels: Repair
18 facilities, Navy, \$4,000,000.

19 TREASURY DEPARTMENT

20 Bureau of Accounts: Emergency relief, liquidation fund,
21 \$1,000,000.

22 Bureau of Federal Supply: Working capital fund, dupli-
23 cating services, Procurement Division, \$1,483,480.02.

1 Coast Guard:

2 Acquisition of vessels and shore facilities, Coast
3 Guard, \$9,624,066.

4 Emergency construction, vessels and shore facilities,
5 Coast Guard, \$184,225.

6 Establishing and improving aids to navigation, Coast
7 Guard, \$59,279.

8 Special projects, aids to navigation, Coast Guard,
9 \$36,106.

10 Special projects, vessels, Coast Guard, \$37,470.

11 Special projects, aids to navigation, Lighthouse
12 Service, Coast Guard, \$3,937.

13 WAR DEPARTMENT

14 Military activities:

15 Expenses and losses financing war contracts,
16 \$15,000,000.

17 Acquisition of land, West Point, unexpended bal-
18 ance.

19 Acquisition of land, San Bernardino, Kern, and Los
20 Angeles Counties, California, unexpended balance.

21 Acquisition of land, Panama, Army, unexpended
22 balance.

23 Acquisition of land, Buchanan, Puerto Rico, unex-
24 pended balance.

1 Acquisition of land, act of June 20, 1940, unex-
2 pended balance.

3 Sites for military purposes, unexpended balance.

4 Construction of buildings, utilities, and appurte-
5 nances, military posts, \$17,567,069.

6 Buildings for United States representatives, Philip-
7 pine Islands, unexpended balance.

8 Emergency fund for the President, national defense
9 housing (allotment to War), unexpended balance.

10 Community facilities, defense public works, Office of
11 Administrator, Federal Works Agency (transfer to
12 War), \$221,855.

13 National defense housing, War maintenance, and so
14 forth, unexpended balance.

15 Emergency fund for the President, defense housing,
16 temporary shelter, War, Federal Public Housing Au-
17 thority, maintenance, unexpended balance.

18 National defense housing, War, Office of Adminis-
19 trator, Federal Works Agency, maintenance, and so
20 forth, unexpended balance.

21 Repair of arsenals, emergency construction, unex-
22 pended balance.

23 Seacoast defenses, general, \$130,619.

1 Seacoast defenses, \$106,468.

2 Seacoast defenses, Panama Canal, \$642,905.

3 **TITLE III—GENERAL PROVISIONS**

4 SEC. 301. No part of any appropriation contained in
5 this Act shall be used to pay the salary or wages of any
6 person who engages in a strike against the Government of
7 the United States or who is a member of an organization
8 of Government employees that asserts the right to strike
9 against the Government of the United States, or who advo-
10 cates, or is a member of an organization that advocates, the
11 overthrow of the Government of the United States by force
12 or violence: *Provided*, That for the purposes hereof an affi-
13 davit shall be considered prima facie evidence that the person
14 making the affidavit has not contrary to the provisions of
15 this section engaged in a strike against the Government of
16 the United States, is not a member of an organization of
17 Government employees that asserts the right to strike against
18 the Government of the United States, or that such person
19 does not advocate, and is not a member of an organization
20 that advocates, the overthrow of the Government of the
21 United States by force or violence: *Provided further*, That
22 any person who engages in a strike against the Government
23 of the United States or who is a member of an organization
24 of Government employees that asserts the right to strike
25 against the Government of the United States, or who ad-

1 vocates, or who is a member of an organization that advocates,
2 the overthrow of the Government of the United States by
3 force or violence and accepts employment the salary or wages
4 for which are paid from any appropriation contained in this
5 Act shall be guilty of a felony and, upon conviction, shall
6 be fined not more than \$1,000 or imprisoned for not more
7 than one year, or both: *Provided further*, That the above
8 penalty clause shall be in addition to, and not in substitution
9 for, any other provisions of existing law.

10 SEC. 302. This Act may be cited as the "Urgent Defi-
11 ciency Appropriation Act, 1947".

[COMMITTEE PRINT]

Union Calendar No.

80TH CONGRESS
1ST SESSION

H. R.

[Report No.]

A BILL

Making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1947, and for other purposes.

By Mr. TABER

FEBRUARY , 1947

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

URGENT DEFICIENCY APPROPRIATION BILL, 1947

FEBRUARY 17, 1947.—Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

Mr. TABER, from the Committee on Appropriations, submitted the following

REPORT

[To accompany H. R. 1968]

The Committee on Appropriations submits the following report in explanation of the accompanying bill making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1947, and for other purposes.

The estimates upon which the bill is based are contained in House Documents Nos. 55, 61, 63, and 76.

TITLE I—APPROPRIATIONS

The committee has received a number of deficiency items in addition to those included in the accompanying bill which it has not had time to consider and is reporting only those items in which an urgent and immediate need appears. Consideration will be given to other pending estimates within the next few weeks.

OFFICE OF DEFENSE TRANSPORTATION

The appropriation for the Office of Defense Transportation for the fiscal year 1947, in the amount of \$525,000, contemplated the termination of the activities of the agency by February 28, and the continuation of only a skeleton force beyond that date looking to final liquidation by April 30. It was thought at the time of the consideration by Congress of this appropriation that the transportation difficulties of the Nation would have been met in time for the Office of Defense Trans-

portation to go out of business by February 28. However, due to a number of factors, the freight car shortage, the principal transportation problem, has continued and is, in fact, far more serious today than it was in 1945 and 1946. The wartime shortages turned to an actual surplus of cars during March, April, and May of 1946 but a shortage developed in June of 1946 and has continued. On January 25 it was in excess of 15,000 cars. The statement is made by the Office of Defense Transportation that the shortage of freight cars now is more serious than during the war years and it is expected that this shortage will continue until production equals at least 10,000 cars per month. The average monthly production during 1946 was 3,493 and 3,135 were produced in December. The major difficulty results from the bottleneck in steel which has been contributed to, in no small degree by the failure of the War Assets Administration to make surplus steel available for use. The release of surplus steel several months ago would have gone a long way toward relieving the situation and it might not now be necessary to continue the Office of Defense Transportation during the next few months for the purpose of securing the construction of necessary cars.

The Budget estimate for the remainder of the necessary period of activity, ending on April 30, 1947, with a reduced staff in May and final liquidation by June 30, 1947, was \$143,000, but the committee has determined that \$130,000 will prove adequate for these purposes.

The Committee on Appropriations regrets the necessity for extending the life of any of the war agencies a single day, but is confronted with the failure of the Civilian Production Administration and the War Assets Administration to meet their obligations in the production and allocation of steel and, therefore, must keep another agency alive long enough to put the country's transportation system in position to meet the requirements of business. Any failure in this respect would delay the very rapid and noteworthy conversion to a peacetime economy which private business is accomplishing.

VETERANS' ADMINISTRATION

ADMINISTRATION, MEDICAL, HOSPITAL, AND DOMICILIARY SERVICES

The original appropriation for this purpose was \$553,805,915 and the committee, confronted with a deficiency request of \$307,258,000, was informed that the original appropriation would be exhausted by the latter part of February. The committee has held a brief conference with the Administrator of Veterans' Affairs and has determined that the existing conditions in the Veterans' Administration require very careful hearings and exhaustive study before the appropriation of the amount proposed. The committee recognizes the fact that the laws providing for veterans care and rehabilitation must be carried out and is anxious to make every provision necessary to meet all requirements. However, the committee is not at all satisfied that the Veterans' Administration is taking proper precautions to conserve the Government's funds in the cost of administration and desires to secure full information on this point. The numbers of people employed in administration of certain phases of the act appear to be larger than necessary and the committee is desirous of going further into the matter before providing for the full program.

The supplemental estimate was submitted to the Bureau of the Budget on January 7 and transmitted to the Congress January 30.

The Veterans' Administration's explanatory matter and justifications were presented to the committee on February 8, obviously giving the committee insufficient time to make a detailed study of the situation and make funds available by the time present funds are exhausted at the end of February.

Because of these and other similar factors, the committee is unwilling to appropriate the full amount at this time and, in order to meet the emergency which will arise before the end of February, is recommending an appropriation of \$135,000,000 to meet pay rolls, etc., until such time as the committee is able to secure the full and detailed data necessary to an intelligent judgment of the needs of the agency for the remainder of the year. The amount proposed, \$135,000,000, should be sufficient to meet requirements until March 31, 1947. Hearings on the estimate will be conducted at a later date.

MILITARY AND NAVAL INSURANCE

The original appropriation for this fund was \$1,472,000 and a supplemental estimate of \$4,125,500 was submitted. The committee has not had an opportunity to go into the matter and is providing \$1,000,000 to meet the requirements through the month of March by which time it will expect to have another opportunity to explore the matter thoroughly and make provision for the additional requirements to the end of the year.

VETERANS' REHABILITATION REVOLVING FUND

This fund was originally appropriated in 1943 for the purpose of providing emergency loans, not exceeding \$100 in any one case, to enable veterans to pay railroad fare and other incidental expenses incident to entering upon rehabilitation training. Repayments of loans are deposited into the fund for the making of additional loans and so far \$3,500,000 have been loaned out of a \$1,000,000 original capital. The amount of loans now outstanding is in excess of \$900,000 and leaves the administration without funds to meet additional demands. The estimate proposed an additional appropriation of \$500,000 to this fund and the committee is recommending that \$200,000 be appropriated pending the time when a thorough study can be made of the situation with a view to final evaluation of the condition of the fund and future needs.

TREASURY DEPARTMENT

DIVISION OF DISBURSEMENT, SALARIES AND EXPENSES

The appropriation for this Division, which is the agency charged with responsibility for the drawing of checks and making payments for most of the agencies of Government, \$6,275,000, contemplated 61,000,000 items for the Veterans' Administration, whereas it appears now the total actually will be nearer 84,000,000 items, and 7,000,000 items for the refund of internal revenue taxes, whereas present estimates indicate there will be in excess of 30,000,000 such items. The increase in Veterans' Administration items results from underestimation of the number of veterans who would be receiving benefits of various sorts during the year. For example, a year ago the Veterans' Administration estimated that there would be about 670,000

veterans attending school under the GI bill, whereas the actual number, it now develops, is nearer 2,000,000. In addition to these increased work loads, an act passed in the last days of the session of Congress last year increased all benefit rates and made it necessary for the Division of Disbursement at considerable expense to change all of the addressograph plates of the payees under such acts.

The payment of income tax refunds is larger than contemplated because of a shift in the program which makes these payments available much earlier than would otherwise be the case and the Division must make payments in this fiscal year which, it was contemplated, would not be made until the ensuing fiscal year.

On account of these unforeseen factors, the original appropriation is far less than adequate. The supplemental estimate is in the amount of \$3,520,100, but a careful recomputation by the committee after hearings indicates that on the basis of the rate of expenditure during the first 6 months of the year \$3,000,000 will prove sufficient and, therefore, that amount is provided.

TITLE II—RESCISSIONS

Title II of the bill proposes to rescind all amounts suggested by the President in his message of January 15 (H. Doc. 55). On account of the time-consuming preparation of the legislative budget and other matters, there has not been time for Members of the committee to conduct hearings on many of the funds involved, and the committee expects, at the first opportunity, to hold hearings on the items in the President's recommendation and on such other funds available for expenditure as, in its judgment, might be rescinded. Hearings have been held with respect to the Office of Price Administration, the Civilian Production Administration, and the Office of War Mobilization and Reconversion, and additional rescission in these agencies over and above the amounts recommended by the President are included in the bill.

Following is a tabulation of the amounts proposed by the President and additional amounts recommended for rescission by the committee:

	Recom- mended in H. Doc. 55	Additional recommen- dations of committee	Total amount of rescis- sion
Office of Price Administration.....		\$9,000,000	\$9,000,000
Civilian Production Administration.....	\$1,200,000	1,200,000	2,400,000
Office of War Mobilization and Reconversion.....		60,000	60,000
Other items recommended in H. Doc. 55:			
Appropriations.....	562,688,579		562,688,579
Contract authorizations.....	132,000,000		132,000,000
Total.....	695,888,579	10,260,000	706,148,579

OFFICE OF PRICE ADMINISTRATION

The Office of Price Administration had appropriations for the fiscal year 1947 in the amount of \$101,000,000, and, through November 30, had obligated \$56,970,000. By that date, all of the control functions of the agency, except a very few had been eliminated and drastic reductions in force were in order; yet the personnel currently on the rolls is approximately one-half the number employed on November 30.

Rent control is the largest function left, and on February 1, there were 6,774 employees engaged in rent control as compared with 5,310 on July 1. The sugar program had 2,152 employees on February 1, as compared with 2,375 on July 1. The executive and administrative branches had a total of 1,994 on February 1, as compared with 3,217 on July 1, at a time when the agency was staffed to handle all activities of the Price Control Act; 228 persons are employed in the so-called Public Records Division, which is engaged in closing the records of the Office of Price Administration for delivery to the Archivist, and also in preparing a history of the operations of the agency. The agency contemplates having a minimum of 162 employees in this activity until June 30, 1947.

It was stated to the committee that the agency had available for expenditure for the last half of the year \$27,649,622, and that it would be necessary to make an additional appropriation of \$5,950,000, in order to meet requirements of the program, \$33,599,622 to June 30, 1947. After lengthy hearings, the committee is convinced that if the residual activities are administered on an economical basis, and all surplus employees are immediately separated from the pay rolls, it will be possible for the agency to discharge its full responsibilities under the law, wind up its affairs, and turn over all necessary records to the Archivist and, at the same time, not only avoid the deficiency, but make possible a rescission of an additional \$9,000,000.

CIVILIAN PRODUCTION ADMINISTRATION

The Civilian Production Administration proposed a rescission of \$1,200,000. The proposal of the Office of Temporary Controls is that CPA shall continue in operation until December 31, 1947, but the committee can see no justification for continuing it beyond June 30, 1947, and was informed in the hearings that if such a final liquidation date were determined upon an additional \$1,000,000 could be rescinded. Careful analysis of the proposed expenditures for travel, communication, etc., indicate that \$200,000 additional savings might be effected through economies. The committee, therefore, proposes that the rescission be in the amount of \$2,400,000, and has included language in the bill to require final liquidation by June 30, 1947. Practically all of the controls administered by the Civilian Production Administration are now out of existence, and those few remaining are of dubious value. The salutary effect on production and the reconversion of business to a normal peacetime basis of the elimination of controls already removed would indicate that the earlier all such restrictions are taken off the economy of the country, just that much sooner will we reestablish the solid foundations of a free American economy.

OFFICE OF WAR MOBILIZATION AND RECONVERSION

The Office of War Mobilization and Reconversion will expire by law on June 30, 1947, and it has been stated to the committee that no recommendation will be made for extension of this law. The original estimate contemplated no rescission of funds but the committee was advised in the hearings that in the light of later developments a minimum of \$46,000 may be rescinded. Computations by the committee of probable savings in terminal leave and other items lead to the conclusion that the amount of \$60,000 is safely rescindable. This amount is therefore recommended.

URGENT DEFICIENCY APPROPRIATION BILL, 1947

Comparative statement of the amounts of the Budget estimates and of the amounts recommended to be appropriated by the bill

[The year indicated after each item denotes the fiscal year]

House Doc. No.	Department or agency	Amount of Budget estimate	Amount recommended in the bill	Increase (+) or decrease (-), bill compared with Budget estimates
TITLE I—GENERAL APPROPRIATIONS				
	LEGISLATIVE			
	HOUSE OF REPRESENTATIVES			
	Beneficiaries of deceased Representatives-----	-----	\$30, 000	+ \$30, 000
	EXECUTIVE OFFICE OF THE PRESIDENT			
	OFFICE FOR EMERGENCY MANAGEMENT			
60	Office of Price Administration, 1947-----	\$5, 950, 000	-----	-5, 950, 000
61	Office of Defense Transportation, 1947-----	143, 000	130, 000	-13, 000
	INDEPENDENT OFFICES			
	VETERANS' ADMINISTRATION			
76	Administration, medical, hospital, and domiciliary services, 1947-----	307, 258, 000	135, 000, 000	-172, 258, 000
76	Military and naval insurance, 1947-----	4, 125, 500	1, 000, 000	-3, 125, 500

76	Vocational rehabilitation revolving fund (no year)-----	500, 000	200, 000	-300, 000
	Total, Veterans' Administration-----	311, 883, 500	136, 200, 000	-175, 683, 500
	TREASURY DEPARTMENT			
	FISCAL SERVICE--BUREAU OF ACCOUNTS			
63	Division of Disbursement, salaries and expenses, 1947-----	3, 520, 100	3, 000, 000	-520, 100
	Total, title I, general appropriations-----	321, 496, 000	139, 360, 000	-182, 136, 600

○

Union Calendar No. 20

80TH CONGRESS
1ST SESSION

H. R. 1968

[Report No. 36]

IN THE HOUSE OF REPRESENTATIVES

FEBRUARY 17, 1947

Mr. TABER, from the Committee on Appropriations, reported the following bill; which was committed to the Committee of the Whole House on the State of the Union and ordered to be printed

A BILL

Making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1947, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, to supply urgent
5 deficiencies in certain appropriations for the fiscal year
6 ending June 30, 1947, and for other purposes, namely:

1 TITLE I—GENERAL APPROPRIATIONS

2 LEGISLATIVE

3 HOUSE OF REPRESENTATIVES

4 For payment to the widow of William J. Gallagher,
5 late a Representative from the State of Minnesota, \$10,000.

6 For payment to the widow of William B. Barry, late
7 a Representative from the State of New York, \$10,000.

8 For payment to the widow of Robert K. Henry, late
9 a Representative from the State of Wisconsin, \$10,000.

10 EXECUTIVE OFFICE OF THE PRESIDENT

11 OFFICE FOR EMERGENCY MANAGEMENT

12 OFFICE OF DEFENSE TRANSPORTATION

13 Salaries and expenses: For an additional amount, fiscal
14 year 1947, for "Salaries and expenses"; \$130,000.

15 INDEPENDENT OFFICES

16 VETERANS' ADMINISTRATION

17 Administration, medical, hospital, and domiciliary serv-
18 ices: For an additional amount, fiscal year 1947, for "Ad-
19 ministration, medical, hospital, and domiciliary services",
20 \$135,000,000: *Provided*, That the amount available to repair,
21 alter, improve, or provide facilities in the several hospitals
22 and homes under the jurisdiction of the Veterans' Adminis-
23 tration is increased to \$5,500,000; and the limitation on travel
24 expenses imposed by section 105 of the Independent Offices
25 Appropriation Act, 1947, is increased to \$8,043,000.

1 Military and naval insurance: For an additional amount,
2 fiscal year 1947, for "Military and naval insurance",
3 \$1,000,000, to remain available until expended.

4 Vocational rehabilitation revolving fund: To increase
5 the "Vocational rehabilitation revolving fund (Act of March
6 24, 1943)", created by the Urgent Deficiency Appropria-
7 tion Act, 1943, \$200,000.

8 TREASURY DEPARTMENT

9 FISCAL SERVICE—BUREAU OF ACCOUNTS

10 Division of Disbursement, salaries and expenses: For an
11 additional amount, fiscal year 1947, for "Division of Dis-
12 bursement, salaries and expenses", \$3,000,000.

13 TITLE II—REDUCTIONS IN APPROPRIATIONS

14 AND AUTHORIZATIONS

15 Amounts available to the departments and agencies from
16 appropriations and other funds are hereby reduced in the
17 sums hereinafter set forth, such sums to be carried to the
18 surplus fund and covered into the Treasury immediately
19 upon the approval of this Act:

20 EXECUTIVE OFFICE OF THE PRESIDENT

21 Office for Emergency Management:

22 Office of Scientific Research and Development:

23 Working fund, Executive, Emergency Manage-
24 ment (Office of Scientific Research and Develop-
25 ment), 1942-1946, \$2,044,477.

1 Working fund, Executive, Emergency Manage-
 2 ment (Office of Scientific Research and Develop-
 3 ment), 1940-1946, \$160,744.

4 Working fund, Executive, Emergency Manage-
 5 ment (Office of Scientific Research and Develop-
 6 ment), 1945, \$6,688,979.

7 Office of Temporary Controls:

8 Salaries and expenses, Civilian Production
 9 Administration functions, Office of Temporary
 10 Controls, 1947, \$2,400,000: *Provided*, That the
 11 Civilian Production Administration shall be discon-
 12 tinued and its affairs placed in liquidation not later
 13 than June 30, 1947.

14 Salaries and expenses, Office of Price Admin-
 15 istration functions, Office of Temporary Controls,
 16 1947, \$9,000,000.

17 Salaries and expenses, Office of War Mobiliza-
 18 tion functions, Office of Temporary Controls,
 19 1947, \$60,000.

20 FUNDS APPROPRIATED TO THE PRESIDENT

21 Emergency fund for the President, national defense,
 22 1942-1947, \$2,500,000.

INDEPENDENT OFFICES

Atomic Energy Commission: Atomic energy, Executive (allotment to Atomic Energy Commission), 1942-1947, \$40,000,000.

Price Decontrol Board: Salaries and expenses, Price Decontrol Board, 1947, \$195,212.

United States Maritime Commission:

Construction fund, United States Maritime Commission, Act June 29, 1936, revolving fund, \$265,000,000, and the contract authorization under this head is hereby reduced in the sum of \$132,000,000.

Emergency ship construction fund, United States Maritime Commission, \$1,251,691, together with the unexpended balance: *Provided*, That hereafter the United States Maritime Commission construction fund shall be available for the payment of obligations previously incurred against the emergency ship construction fund.

Working fund, Maritime Commission (Navy Department), \$60,265,686.

Working fund, Maritime Commission (War Department), 1942-1945; working fund, Maritime Commis-

1 sion (War Department) , 1945 ; working fund, Maritime
2 Commission (War Department) , 1942-1946, \$834,845.

3 Working fund, United States Maritime Commission,
4 War Shipping Administration functions, December 31,
5 1946, \$358,679.

6 Working fund, United States Maritime Commis-
7 sion, War Shipping Administration functions, 1945,
8 \$270,006.

9 Veterans' Administration :

10 Adjusted service and dependent pay, Veterans' Ad-
11 ministration, \$71,631.

12 Military and naval compensation, Veterans' Ad-
13 ministration, \$16,693.29.

14 Military and naval family allowance, Veterans' Ad-
15 ministration, \$11,155.97.

16 Hospital facilities and services, Veterans' Adminis-
17 tration, \$8,469.39.

18 Vocational rehabilitation, Veterans' Administration,
19 \$6,441.71.

20 FEDERAL SECURITY AGENCY

21 Office of Education :

22 Working fund, Federal Security Agency, Office of
23 Education, 1946, \$2,600.

24 Working fund, Federal Security Agency, Office

1 of Education (advance from Veterans' Administration),
 2 1947, \$41,800.

3 Public Health Service: Working fund, United States
 4 Public Health Service, 1946, \$12,664.

5 Office of the Administrator:

6 Civilian war benefits, Federal Security Agency,
 7 1947, \$18,000.

8 Civilian war assistance, Federal Security Agency,
 9 1947, \$1,000,000.

10 FEDERAL WORKS AGENCY

11 Public Buildings Administration:

12 Social Security Board and Railroad Retirement
 13 Board buildings, Washington, District of Columbia,
 14 Public Buildings Administration, \$46,914.

15 War Department buildings, Washington, Dis-
 16 trict of Columbia, Public Buildings Administration,
 17 \$150,000.

18 Great plaza development, triangle, Washington,
 19 District of Columbia, Public Buildings Administration,
 20 \$7,250.

21 Emergency construction of public buildings, Public
 22 Buildings Administration, act of June 19, 1934, \$5,955,
 23 together with the unobligated balance as of June
 24 30, 1947.

1 Emergency construction of public buildings, Public
2 Buildings Administration, Act of August 12, 1935,
3 \$5,755, together with the unobligated balance as of
4 June 30, 1947.

5 Emergency construction of public buildings, Public
6 Buildings Administration, Act of June 22, 1936,
7 \$11,661, together with the unobligated balance as of
8 June 30, 1947.

9 Federal office buildings numbered 2 and 3, in or
10 near the District of Columbia, Public Buildings Admin-
11 istration, unobligated balance, June 30, 1947.

12 Emergency safeguarding of public buildings and
13 property, Public Buildings Administration, \$10,000,
14 together with the unobligated balance as of June
15 30, 1947.

16 Working capital fund, Public Buildings Adminis-
17 tration, \$2,500.

18 Veterans' decentralization allowances, Public Build-
19 ings Administration, 1947-1948, \$40,000.

20 Materials testing laboratory and equipment, Na-
21 tional Bureau of Standards (transfer to Federal
22 Works Agency, Public Buildings Administration),
23 \$7,797,

Working fund, Federal Works Agency, Public Buildings Administration, \$126,445. .

Working fund, Federal Works Agency, Public Buildings Administration, 1946, \$51,453.

Public Roads Administration:

Access roads, Public Roads Administration (national defense), \$1,897,030.

Strategic highway network, Public Roads Administration (national defense), \$278,158.

Flood relief, Missouri, Mississippi, Louisiana, and Arkansas, for restoration of roads and bridges, Public Roads Administration, unobligated balance, June 30, 1947.

NATIONAL HOUSING AGENCY

Federal Public Housing Authority:

National defense housing, temporary shelter, Office of Administrator, National Housing Agency (transfer to Federal Public Housing Authority), \$142,098.

War housing in and near the District of Columbia, Federal Public Housing Authority, \$85,469.

Construction fund, United States Maritime Commission, Act June 29, 1936 (transfer to National

1 Housing Agency, Federal Public Housing Authority),
2 \$574,096.

3 DEPARTMENT OF AGRICULTURE

4 Office of the Secretary:

5 Working fund, Agriculture, general, \$23,666.77.

6 Working fund, Agriculture, general, 1942-1946,
7 \$78,669.52.

8 Bureau of Agricultural Economics: Working fund, Agri-
9 culture, Bureau of Agricultural Economics, \$16.25.

10 Extension Service:

11 Working fund, Agriculture, Extension Service,
12 1941-1946, \$3,655.

13 Working fund, Agriculture, Extension Service
14 (special fund), \$475.76.

15 Agricultural Research Administration:

16 Office of the Administrator:

17 Removal and reestablishment of Arlington
18 Farm, Virginia (transfer to Agriculture), \$162,-
19 400.18.

20 Working fund, Agriculture, Agricultural Re-
21 search Administration, 1942-1946, \$34,813.89.

22 Working fund, Agriculture, Agricultural Re-
23 search Administration, 1946, \$48,000.

24 Bureau of Plant Industry, Soils, and Agricultural
25 Engineering: Rubber investigations, Bureau of Plant

1 Industry, Soils, and Agricultural Engineering, \$105.70.

2 Forest Service:

3 Working fund, Agriculture, Forest Service, 1942-
4 1946, \$51,465.66.

5 Working fund, Agriculture, Forest Service, 1946,
6 \$82,823.93.

7 Acquisition of lands, \$36.56.

8 Soil Conservation Service:

9 Working fund, Agriculture, Soil Conservation Serv-
10 ice, 1941-1946, \$128.

11 Working fund, Agriculture, Soil Conservation Serv-
12 ice, 1942-1946, \$26,069.

13 Production and Marketing Administration:

14 Conservation and use of agricultural land resources,
15 Department of Agriculture, 1946-1947, \$8,945,000.

16 Administration of Price Adjustment Act of 1938,
17 Department of Agriculture, \$85,638.

18 Exportation and domestic consumption of agricul-
19 tural commodities, Department of Agriculture (cotton
20 price adjustment), \$139,068.

21 Payments for agricultural adjustment, Department
22 of Agriculture, \$4,505.

23 Community facilities, defense public works, Office
24 of Administrator, Federal Works Agency (transfer to
25 Agriculture), \$11,895.

1 DEPARTMENT OF COMMERCE

2 Bureau of the Census:

3 Working fund, Commerce, Bureau of the Census,
4 1947, \$21,500.

5 Working fund, Commerce, Bureau of the Census,
6 1946, \$11,385.

7 Coast and Geodetic Survey:

8 Working fund, Commerce, Coast and Geodetic Sur-
9 vey, \$4,816.65.

10 Working fund, Commerce, Coast and Geodetic Sur-
11 vey, 1942-1946, \$8.11.

12 National Bureau of Standards:

13 Working fund, Commerce, Standards, 1942-1946,
14 \$12,335.69.

15 Working fund, Commerce, Standards, 1946,
16 \$84,345.

17 Working fund, Commerce, Standards, \$365.22.

18 Station for broadcasting standard frequencies,
19 National Bureau of Standards, \$1,000.

20 DEPARTMENT OF THE INTERIOR

21 Bureau of Indian Affairs:

22 Purchase of land for Navajo Indians, Arizona (re-
23 imburseable), \$308.02.

1 Construction, irrigation systems, Indian Service (re-
2 imbursable), \$9,865.90.

3 Construction, buildings and utilities, Indian Service,
4 \$131,407.71.

5 Support of Wisconsin Band of Potawatomie, Wis-
6 consin and Michigan (reimbursable), \$500.21.

7 Working fund, Interior, Indians, \$25,538.66.

8 Working fund, Department of the Interior, sub-
9 sistence, homestead project, \$2,092.97.

10 Bureau of Mines:

11 Reduction of zinc concentrates with methane gas,
12 Bureau of Mines (national defense), \$4,133.

13 Drainage tunnel, Leadville, Colorado, \$29,081.

14 Working fund, Interior, Mines (Office of Scientific
15 Research and Development), 1946, \$130,000.

16 Working fund, Interior, Mines, Army, Engineer
17 Service, 1942-1946, \$43,905.

18 National Park Service:

19 Roads and trails, national parks, emergency con-
20 struction, act of June 19, 1934, \$22.

21 Working fund, Interior, National Park Service (ad-
22 vance from War Department), \$14,000.

1 Government in the Territories: Emergency fund, Terri-
2 tories and island possessions (national defense), \$121,000.

3 DEPARTMENT OF JUSTICE

4 Federal Prison System:

5 Buildings and equipment, penal institutions,
6 \$865,000.

7 United States Industrial Reformatory, Chillicothe,
8 Ohio, construction, \$89.71.

9 United States Northeastern Penitentiary, Lewis-
10 burg, Pennsylvania, construction, \$1,636.78.

11 Public Works Administration, Act of 1938 (allot-
12 ment to Justice, prisons), \$1,702.52.

13 Federal jails, buildings, and equipment (Sand-
14 stone), \$370.35.

15 Working fund, Justice, prisons, \$149,729.70.

16 DEPARTMENT OF LABOR

17 Office of the Secretary:

18 Veterans' housing, Office of Administrator, National
19 Housing Agency (transfer to Labor), \$3,368.

20 Migration of workers, War Manpower functions,
21 Department of Labor, 1944, \$652,376.

22 Migration of workers, War Manpower functions,
23 Department of Labor, 1945, \$4,884.

24 Bureau of Labor Statistics: Working fund, Labor, Labor

1 Statistics (advance from National Housing Agency),
2 \$237.68.

3 National Wage Stabilization Board: Salaries and ex-
4 penses, National Wage Stabilization Board, Department of
5 Labor, 1947, \$1,191,900.

6 NAVY DEPARTMENT

7 Bureau of Supplies and Accounts:

8 Naval working fund, \$50,000,000.

9 Naval procurement fund, \$50,000,000.

10 Strategic and critical materials, Navy, \$94.

11 Reserve material, Navy, \$62,800.

12 Bureau of Yards and Docks:

13 Public works, Bureau of Yards and Docks, 1947,
14 \$15,108,514: *Provided*, That hereafter no obligations
15 shall be incurred against the contract authorization pro-
16 vided under this head prior to July 1, 1946.

17 Increase and replacement of naval vessels: Repair
18 facilities, Navy, \$4,000,000.

19 TREASURY DEPARTMENT

20 Bureau of Accounts: Emergency relief, liquidation fund,
21 \$1,000,000.

22 Bureau of Federal Supply: Working capital fund, dupli-
23 cating services, Procurement Division, \$1,483,480.02.

1 Coast Guard:

2 Acquisition of vessels and shore facilities, Coast
3 Guard, \$9,624,066.

4 Emergency construction, vessels and shore facilities,
5 Coast Guard, \$184,225.

6 Establishing and improving aids to navigation, Coast
7 Guard, \$59,279.

8 Special projects, aids to navigation, Coast Guard,
9 \$36,106.

10 Special projects, vessels, Coast Guard, \$37,470.

11 Special projects, aids to navigation, Lighthouse
12 Service, Coast Guard, \$3,937.

13 WAR DEPARTMENT

14 Military activities:

15 Expenses and losses financing war contracts,
16 \$15,000,000.

17 Acquisition of land, West Point, unexpended bal-
18 ance.

19 Acquisition of land, San Bernardino, Kern, and Los
20 Angeles Counties, California, unexpended balance.

21 Acquisition of land, Panama, Army, unexpended
22 balance.

23 Acquisition of land, Buchanan, Puerto Rico, unex-
24 pended balance.

1 Acquisition of land, act of June 20, 1940, unex-
2 pended balance.

3 Sites for military purposes, unexpended balance.

4 Construction of buildings, utilities, and appurte-
5 nances, military posts, \$17,567,069.

6 Buildings for United States representatives, Philip-
7 pine Islands, unexpended balance.

8 Emergency fund for the President, national defense
9 housing (allotment to War), unexpended balance.

10 Community facilities, defense public works, Office of
11 Administrator, Federal Works Agency (transfer to
12 War), \$221,855.

13 National defense housing, War maintenance, and so
14 forth, unexpended balance.

15 Emergency fund for the President, defense housing,
16 temporary shelter, War, Federal Public Housing Au-
17 thority, maintenance, unexpended balance.

18 National defense housing, War, Office of Adminis-
19 trator, Federal Works Agency, maintenance, and so
20 forth, unexpended balance.

21 Repair of arsenals, emergency construction, unex-
22 pended balance.

23 Seacoast defenses, general, \$130,619.

1 Seacoast defenses, \$106,468.

2 Seacoast defenses, Panama Canal, \$642,905.

3 **TITLE III—GENERAL PROVISIONS**

4 SEC. 301. No part of any appropriation contained in
5 this Act shall be used to pay the salary or wages of any
6 person who engages in a strike against the Government of
7 the United States or who is a member of an organization
8 of Government employees that asserts the right to strike
9 against the Government of the United States, or who advo-
10 cates, or is a member of an organization that advocates, the
11 overthrow of the Government of the United States by force
12 or violence: *Provided*, That for the purposes hereof an affi-
13 davit shall be considered prima facie evidence that the person
14 making the affidavit has not contrary to the provisions of
15 this section engaged in a strike against the Government of
16 the United States, is not a member of an organization of
17 Government employees that asserts the right to strike against
18 the Government of the United States, or that such person
19 does not advocate, and is not a member of an organization
20 that advocates, the overthrow of the Government of the
21 United States by force or violence: *Provided further*, That
22 any person who engages in a strike against the Government
23 of the United States or who is a member of an organization
24 of Government employees that asserts the right to strike
25 against the Government of the United States, or who ad-

1 vocates, or who is a member of an organization that advocates,
2 the overthrow of the Government of the United States by
3 force or violence and accepts employment the salary or wages
4 for which are paid from any appropriation contained in this
5 Act shall be guilty of a felony and, upon conviction, shall
6 be fined not more than \$1,000 or imprisoned for not more
7 than one year, or both: *Provided further*, That the above
8 penalty clause shall be in addition to, and not in substitution
9 for, any other provisions of existing law.

10 SEC. 302. This Act may be cited as the "Urgent Defi-
11 ciency Appropriation Act, 1947".

80TH CONGRESS
1ST SESSION

H. R. 1968

[Report No. 36]

A BILL

Making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1947, and for other purposes.

By Mr. TABER

FEBRUARY 17, 1947

Committed to the Committee of the Whole House on the State of the Union and ordered to be printed

DIGEST OF
CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Legislative Reports and Service Section
(For Department staff only)

Issued February 19, 1947
For actions of February 18, 1947
80th-1st, No. 32

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HIGHLIGHTS: House passed urgent deficiency appropriation bill, which provides various rescissions for USDA appropriations. Rep. Andersen criticized USDA sugar allocations. House Rules Committee reported closed rule on Legislative Budget. Rep. Hope introduced Forest Service fiscal omnibus bill. Rep. Hale introduced measure to extend powers on distribution and pricing of sugar.

HOUSE

1. APPROPRIATIONS. Passed, 320-25, without amendment H. R. 1968, urgent deficiency appropriation bill for 1947 (pp. 1188-95). For provisions affecting this Department, see Digest 31. The bill also rescinds part of the OPA appropriation.. During debate on the bill, Rep. Andresen, Minn., asked "by what authority the Secretary...has the right to enter into an agreement...to keep the division of American-owned sugar secret" and recommended that the supply of sugar for industrial users be increased approximately 30% (p. 1194).
2. LEGISLATIVE BUDGET. The Rules Committee reported a resolution for consideration of H. Con. Res. 20, the Legislative Budget, and providing that points of order are waived and that amendments are not in order (p. 1176).
3. TAXATION. Conferees were appointed on H. R. 1030, to continue war-time excise taxes (pp. 1175, 1195). Senate conferees appointed Feb. 17.
4. TRANSPORTATION. Rep. McMillen, Ill., urged ODT to "increase its efforts to correct" the boxcar shortage (p. 1175).
Passed without amendment H. J. Res. 122, to authorize the Maritime Commission to provide for ocean transportation to Alaska until July 1, 1948 (pp. 1176-7).
5. RURAL ELECTRIFICATION. Received a memorial from the Minn. Legislature supporting rural electrification (p. 1204).
6. RECORDS. The Post Office and Civil Service Committee reported without amendment H. R. 1350, making various changes in the procedure for disposition of Government records (H. Rept. 44) (p. 1203).

SENATE

NOT IN SESSION. Next meeting Wed., Feb. 19.

BILLS INTRODUCED

7. FORESTS; ACCOUNTING. H.R. 2028, by Rep. Hope, Kans., to facilitate and simplify the work of the Forest Service. To Agriculture Committee. (p. 1203.)
8. SUGAR. H.J.Res. 129, by Rep. Hale, Maine, to extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar. To Banking and Currency Committee. (p. 1204.)
9. HOUSING. H.R. 2025, by Rep. Crawford, Mich. (by request), to promote and encourage the building, financing, and ownership of good, permanent homes through the traditional American policies of individual initiative, freedom of opportunity, and local control over local matters; to eliminate slums and blighted areas through the assistance to local communities; to facilitate the construction of well-designed rental housing through private enterprise and local assistance for families of low income; and to coordinate the administration of all Federal agencies devoted to such activities. To Banking and Currency Committee. (p. 1203.)
10. PAYMENTS IN LIEU OF TAXES; FORESTS. H.R. 2030, by Rep. McDonough, Calif., authorizing annual payments to States, Territories, and insular governments, for the benefit of their local political subdivisions, based on the fair value of the national-forest lands situated therein. To Public Lands Committee. (p. 1203.)
11. EDUCATION; H.R. 2033, by Rep. Morrison, La., to authorize the appropriation of funds to assist the States and Territories in financing a minimum foundation education program of public elementary and secondary schools, and in reducing the inequalities of educational opportunities through public elementary and secondary schools, for the general welfare. To Education and Labor Committee. (p. 1203.)
12. BANKING AND CURRENCY. H.R. 2036, by Rep. Reed, N.Y., to repeal the Silver Purchase Act. To Ways and Means Committee. (p. 1203.)
H.R. 2039, by Rep. Reed, N.Y., to authorize and direct the sale of certain U.S. notes and obligations to private persons, firms, associations, or corporations. To Ways and Means Committee. (p. 1203.)
H.R. 2041, by Rep. Reed, N.Y., to terminate certain monetary powers of the President and the Secretary of the Treasury. To Banking and Currency Committee. (p. 1204.)
13. DRUGS. H.R. 2045, by Rep. Wolverton, N.J., to amend the Federal Food, Drug, and Cosmetic Act by providing for the certification of batches of drugs composed wholly or partly of any kind of streptomycin, or any derivative thereof. To Interstate and Foreign Commerce Committee. (p. 1204.)
14. SOCIAL SECURITY. H.R. 2046, by Rep. Curtis, Nebr., to authorize the coverage of self-employed persons under title 11 of the Social Security Act on a voluntary basis. To Ways and Means Committee. (p. 1204.)
15. PERSONNEL. H.R. 2047 and H.R. 2048, by Rep. Lane, Mass., to amend the U.S. Employees' Compensation Act. To Judiciary Committee. (p. 1204.)
16. RECLAMATION. H.R. 2052, by Rep. West, Tex., exempting certain projects from the land limitation provisions of the Federal reclamation laws and repealing all inconsistent provisions of prior acts. To Public Lands Committee. (p. 1204.)
17. FOREIGN TRADE. H.Res. 107, by Rep. Reed, N.Y., to request the Tariff Commission to furnish the Ways and Means Committee certain information relating to reciprocal trade agreements. To Ways and Means Committee. (p. 1204.)

the United States—to guard it against its enemies.

One such enemy of our Government and the peace and security of our Nation is Gerhart Eisler, whose subversive activities as a guest of our country have been proven beyond possibility of doubt—not an enemy met in combat on the field of battle but of the type that pursues its activities surreptitiously through propaganda—the type that stealthily creeps from behind to plunge a dagger in the back. Eisler refused to testify before a hearing of the Un-American Activities Committee, thus flouting the authority of the Congress of the United States.

The Un-American Activities Committee asks you to endorse the major accomplishment of the committee in securing unimpeachable evidence, apprehending and prosecuting this agent, whose subversive operations have caused untold misery and suffering in various parts of the world.

By your unanimous approval of the action of the committee in citing Eisler for contempt and on other serious charges you will serve notice upon other similarly minded that the United States of America refuses to submit itself as a breeding place for the festering sores that afflict so many other nations of the world and that violators of the sanctity of its government shall receive merited punishment, swift, just, and sure.

The SPEAKER. The time of the gentleman from Illinois has expired.

Mr. JAVITS. Mr. Speaker, I think there is little question about the fact that, as a matter of law, the witness, in refusing to be sworn, was prima facie guilty of contempt. It is an occasion, however, for the Members to indicate to the Committee on Un-American Activities their views with regard to the conduct of its investigations. This is due to the country and to the gentlemen who give their time and energies to this work.

An unfortunate impression got abroad with regard to the Dies committee that it was engaged primarily in a Communist hunt and that it quite neglected the Fascists, Nazis, and their associates in our midst. The Un-American Activities Committee can now render a great service by proceeding even-handedly to unearth the subversives on the extreme right as readily as those on the extreme left, for the committee knows that they both have the same design on our freedoms—to extinguish them.

Let us hope, therefore, that the committee will—and soon—strike this a twin blow for freedom against the Fascists, Nazis, and those like-minded in our midst.

The SPEAKER. All time has expired. Mr. THOMAS of New Jersey. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the resolution.

Mr. THOMAS of New Jersey. Mr. Speaker, on that I demand the yeas and nays.

The yeas and nays were ordered.

The question was taken; and there were—yeas 370, nays 1, answered "present" 1, not voting 60, as follows:

[Roll No. 6]
YEAS—370

Abernethy	Elston	Knutson
Albert	Engel, Mich.	Kunkel
Allen, Calif.	Evins	Landis
Allen, Ill.	Fallon	Lane
Allen, La.	Feighan	Lanham
Almond	Fellows	Larcade
Anderson, Calif.	Fenton	Latham
Andresen	Fisher	Lea
August H.	Flannagan	LeCompte
Angell	Fletcher	LeFevre
Arends	Fogarty	Lemke
Arnold	Folger	Lesinski
Auchincloss	Foot	Lewis
Bakewell	Forand	Lodge
Banta	Fulton	Love
Barrett	Gallagher	Lusk
Bates, Ky.	Gamble	Lyle
Bates, Mass.	Gary	Lynch
Battle	Gathings	McConnell
Beall	Gavin	McCormack
Beckworth	Gearhart	McCowan
Bell	Gifford	McDonough
Bender	Gillette	McDowell
Bennett, Mich.	Gillie	McGregor
Bennett, Mo.	Goff	McMahon
Bishop	Goodwin	McMillan, S. C.
Blackney	Gordon	McMillen, Ill.
Bland	Gore	MacKinnon
Blatnik	Gossett	Macy
Bloom	Graham	Madden
Boggs, Del.	Granger	Mahon
Boggs, La.	Grant, Ind.	Maloney
Bonner	Gregory	Manasco
Boykin	Griffiths	Mansfield,
Bradley, Calif.	Gross	Mont.
Bradley, Mich.	Gwynne, Iowa	Mansfield, Tex.
Bramblett	Hagen	Martin, Iowa
Brehm	Hale	Mason
Brooks	Hall	Mathews
Brophy	Edwin Arthur	Meade, Md.
Brown, Ga.	Hall	Morrow
Brown, Ohio	Leonard W.	Meyer
Bryson	Halleck	Michener
Buchanan	Hand	Miller, Calif.
Buck	Hardy	Miller, Conn.
Burke	Harless, Ariz.	Miller, Md.
Burleson	Harless, Ind.	Miller, Nebr.
Butler	Harris	Mills
Byrne, N. Y.	Harrison	Mitchell
Byrnes, Wis.	Hart	Morgan
Canfield	Hartley	Morris
Cannon	Havener	Morrison
Carroll	Hebert	Morton
Carson	Heffernan	Muhlenberg
Case, N. J.	Herter	Mundt
Case, S. Dak.	Heseltun	Murdock
Celler	Hess	Murray, Tenn.
Chadwick	Hill	Murray, Wis.
Chapman	Hinshaw	Nixon
Chelf	Hobbs	Nodar
Chenoweth	Hoeven	Norblad
Chiperfield	Hollfield	Norman
Church	Holmes	Norton
Clark	Hope	O'Brien
Clason	Horan	O'Konski
Clevenger	Howell	O'Toole
Coffin	Huber	Owens
Cole, Kans.	Hull	Pace
Cole, Mo.	Jackson, Calif.	Passman
Cole, N. Y.	Jackson, Wash.	Patman
Colmer	Jarman	Patterson
Combs	Javits	Peden
Cooley	Jenkins, Pa.	Philbin
Corbett	Jennings	Phillips, Calif.
Cotton	Jensen	Phillips, Tenn.
Courtney	Johnson, Calif.	Pickett
Cox	Johnson, Ill.	Ploeser
Cravens	Johnson, Ind.	Plumley
Crosser	Johnson, Okla.	Poage
Crow	Johnson, Tex.	Potts
Curtis	Jones, Ala.	Preston
Dague	Jones, N. C.	Price, Ill.
D'Alesandro	Jones, Ohio	Rabin
Davis, Ga.	Jones, Wash.	Rains
Deane	Jonkman	Ramey
Delaney	Judd	Rankin
Devitt	Karsten, Mo.	Rayburn
Dingell	Kearney	Rayfield
Dirksen	Kearns	Redden
Dolliver	Keating	Reed, Ill.
Domengeaux	Kee	Reed, N. Y.
Dondero	Keefe	Rees
Dorn	Kelley	Reeves
Doughton	Keogh	Rich
Douglas	Kerr	Richards
Drewry	Kersten, Wis.	Riehlman
Durham	Kilburn	Riley
Eaton	Kilday	Rivers
Eberhart	Kling	Robertson
Ellis	Klirwan	Robison
Ellsworth	Klein	Rockwell
Elsaesser		Rogers, Fla.

Rogers, Mass.	Smith, Va.	Vall
Rohrbough	Smith, Wis.	Van Zandt
Rooney	Snyder	Vinson
Ross	Somers	Vorys
Sadlak	Spence	Vursell
St. George	Springer	Wadsworth
Sarbacher	Stanley	Walter
Sasscer	Stefan	Welch
Schwabe, Mo.	Stevenson	Welch
Schwabe, Okla.	Stigler	West
Scott, Hardie	Stockman	Wheeler
Scott,	Stratton	Whitten
Hugh D., Jr.	Sundstrom	Whittington
Scrivner	Taber	Wigglesworth
Seely-Brown	Talle	Williams
Shafer	Teague	Wilson, Ind.
Short	Thomas, N. J.	Wilson, Tex.
Simpson, Ill.	Thomas, Tex.	Winstead
Simpson, Pa.	Thomason	Wolverton
Smathers	Tibbott	Wood
Smith, Kans.	Tollefson	Worley
Smith, Maine	Trimble	Youngblood
Smith, Ohio	Twyman	Zimmerman

NAYS—1

Marcantonio

ANSWERED "PRESENT"—1

Powell

NOT VOTING—60

Andersen,	Donohue	Norrell
H. Carl	Elliott	O'Hara
Andrews, Ala.	Engle, Calif.	Peterson
Andrews, N. Y.	Fernandez	Pfeifer
Barden	Fuller	Poulson
Bolton	Gerlach	Price, Fla.
Buckley	Gorski	Priest
Buffett	Grant, Ala.	Rizley
Bulwinkle	Gwinn, N. Y.	Russell
Busbey	Hays	Sabath
Camp	Hedrick	Sadowski
Clements	Hendricks	Sanborn
Clippinger	Hoffman	Scoblick
Cooper	Jenison	Sheppard
Coudert	Jenkins, Ohio	Sikes
Crawford	Kefauver	Taylor
Cunningham	Kennedy	Towe
Davis, Tenn.	Lucas	Wolcott
Dawson, Ill.	McGarvey	Woodruff
Dawson, Utah	Meade, Ky.	
D'Ewart	Monroney	

So the resolution was agreed to.

The Clerk announced the following pairs:

General pairs until further notice:

Mr. Woodruff with Mr. Engle of California.

Mr. Hoffman with Mr. Donohue.

Mr. Jenkins of Ohio with Mr. Monroney.

Mr. Busbey with Mr. Pfeifer.

Mr. O'Hara with Mr. Sikes.

Mr. Cunningham with Mr. Kefauver.

Mr. Dawson of Utah with Mr. Davis of Tennessee.

Mr. Buffett with Mr. Barden.

Mr. H. Carl Andersen with Mr. Camp.

Mr. Gwinn of New York with Mr. Peterson.

Mr. Andrews of New York with Mr. Sheppard.

Mr. Poulson with Mr. Gorski.

Mr. Sanborn with Mr. Dawson of Illinois.

Mr. Wolcott with Mr. Buckley.

Mr. Towe with Mr. Andrews of Alabama.

Mr. Rizley with Mr. Priest.

Mr. Russell with Mr. Cooper.

Mr. Scoblick with Mr. Price of Florida.

Mrs. Bolton with Mr. Sadowski.

Mr. Jenison with Mr. Hedrick.

Mr. Taylor with Mr. Kennedy.

Mr. D'Ewart with Mr. Hendricks.

Mr. Clippinger with Mr. Elliott.

Mr. Coudert with Mr. Fernandez.

Mr. Crawford with Mr. Grant of Alabama.

Mr. McCarvey with Mr. Clements.

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

GENERAL LEAVE TO EXTEND REMARKS

Mr. THOMAS of New Jersey. Mr. Speaker, I ask unanimous consent that all Members may have 5 days to extend their remarks on the resolution just passed.

The SPEAKER. Is there objection to the request of the gentleman from New Jersey?

There was no objection.

EXTENSION OF REMARKS

Mr. BONNER. Mr. Speaker, I ask unanimous consent to revise my remarks and include therein an advertisement signed by the Communist Party that was published in the North Carolina papers recently and the reply thereto made by the leading colored citizens of the State condemning the advertisement.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

Mr. EDWIN ARTHUR HALL asked and was given permission to extend his remarks in the RECORD and include a recent radio address.

Mr. SASSCER asked and was given permission to extend his remarks in the RECORD and include a resolution of the Lithuanian Society of Baltimore.

Mr. PLOESER (at the request of Mr. ARENDS) was given permission to extend his remarks in the RECORD and include a letter and also to extend his remarks in the RECORD and include a speech delivered on January 20.

Mr. MARCANTONIO asked and was given permission to revise and extend the remarks he made today.

Mr. OWENS asked and was given permission to extend his remarks in the Appendix of the RECORD and include a letter addressed to him dated February 11, 1947.

Mr. HAYS (at the request of Mr. TRIMBLE) was given permission to extend his remarks in the RECORD.

Mr. POTTS asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. JAVITS asked and was given permission to extend his remarks in the RECORD immediately following the statement of Mr. VAIL, of Illinois, just before the last vote.

Mr. REES (at the request of Mr. KILBURN) was given permission to extend his remarks in the Appendix of the RECORD.

Mr. VAN ZANDT asked and was given permission to extend his remarks in the Appendix of the RECORD and include an article and letter on the subject American Veterans Who Were Prisoners in World War II.

Mr. MORTON asked and was given permission to extend his remarks in the RECORD on the subject of rent control in Louisville, Ky.

Mr. BRADLEY of California asked and was given permission to revise and extend his remarks in connection with House Joint Resolution 122.

Mr. D'ALESSANDRO asked and was given permission to extend his remarks in the RECORD and include a resolution adopted by the Lithuanian Society of Maryland.

URGENT DEFICIENCY APPROPRIATION BILL, 1947

Mr. TABER. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the consideration of the bill (H. R. 1968) making appropri-

ations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1947, and for other purposes; and pending that motion, Mr. Speaker, I ask unanimous consent that general debate be limited to 1 hour, to be equally divided and controlled by the gentleman from Missouri [Mr. CANNON] and myself.

The SPEAKER. Is there objection to the request of the gentleman from New York?

Mr. MARCANTONIO. Mr. Speaker, reserving the right to object, is this the bill that contains the cuts of appropriations for OPA?

Mr. TABER. Yes.

Mr. MARCANTONIO. Then I object, Mr. Speaker.

Mr. TABER. Mr. Speaker, a parliamentary inquiry.

The SPEAKER. The gentleman will state it.

Mr. TABER. The House may go into the Committee of the Whole and later, after debate has occurred, rise, and then a motion would be in order to close debate; but otherwise a motion would not be in order at this time to close?

The SPEAKER. The gentleman from New York states the situation accurately. The House must first go into Committee and have general debate, and then rise and fix the time of debate by vote.

Mr. CANNON. Mr. Speaker, if the gentleman will yield, I take it that the chairman of the committee will see that the minority is allotted time.

Mr. TABER. Unless there is more demand than the first recognition of 1 hour, it will be my purpose to allot out of the hour that I am being recognized for half of the time to the gentleman from Missouri, and see how we get along.

Mr. CANNON. That will be satisfactory, Mr. Speaker, and we will require no further time on this side.

The SPEAKER. The question is on the motion offered by the gentleman from New York.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the consideration of the bill H. R. 1968, with Mr. HETER in the chair.

The Clerk read the title of the bill.

By unanimous consent (on motion of Mr. TABER), the first reading of the bill was dispensed with.

Mr. TABER. Mr. Chairman, this bill has been reported for the purpose of supplying certain urgent deficiencies in appropriations and for the purpose of rescinding certain other appropriations which are no longer needed and which the Committee believes is in the interest of the Government that they be rescinded. I will briefly describe what is contained in the bill.

There was in the first place a recommendation on the part of the Budget of a deficiency appropriation of \$5,950,000 for the Office of Price Administration, which we have refused. There was an appropriation for the Office of Defense Transportation of \$143,000, which we have reduced to \$130,000. There was an estimate of \$135,000,000 for additional funds for administration, medical, hos-

pital, and domiciliary services, to which we were unable to give a satisfactory hearing, and which we allowed on the basis of what the Veterans' Administration said would carry them to the 31st of March, so that we would be able to have a satisfactory hearing. That is not intended or presented as a cut in the appropriation, but as a postponement of the hearings. The same thing applies to an item for military and naval insurance, where we have provided \$1,000,000 out of an estimate of \$4,125,000 for the purpose of carrying them likewise until we can have a satisfactory hearing. There is likewise an estimate for the vocational rehabilitation revolving fund—no year—of \$500,000, and we have provided \$200,000 to carry them until we can have a satisfactory hearing.

There is an estimate for the Division of Disbursement, the check-writing outfit in the Treasury Department, of \$3,520,000. The committee reduced that to \$3,000,000.

As to the rescissions, we have recommended a rescission of \$9,000,000 in OPA funds. We have also recommended a rescission of \$2,400,000 in the funds for the Civilian Production Administration. The estimate there was \$1,200,000. We have raised a suggested rescission of Office of War Mobilization and Reconversion funds from \$46,000 to \$60,000, believing they can get along very well on that with the contraction of activities that they present.

I think I have described the major items which were subject to hearings. In addition to that, the committee has included in the bill which is before you rescissions amounting to practically \$700,000,000—to be exact, it is \$692,688,579 which the President recommended in House Document 65 in his budget estimate of rescissions.

There are many other items of rescission, some of which will come before the committee upon budget estimates that will hereafter be considered and some will come as the result of the initiative of the committee, so that we may go into the picture to see just what is needed for the operations of the Government. I might say in addition there is one estimate that is pending for the rescission of a very large amount of lend-lease funds, if I remember correctly, approximately \$900,000,000, which we have not been able to hold hearings on and are not prepared to report on at this time.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. AUGUST H. ANDRESEN. I have been informed that there is a very substantial sum of money that is being held by these various agencies that could be recovered running into several billion dollars. Is there anything to that?

Mr. TABER. There is no question but what there is a very large amount of money, the rescission of appropriations of which should be considered by the committee, and it is the intention of the committee to go ahead just as rapidly as possible to hold hearings upon these items and recommend to the House rescissions insofar as it is possible to make them.

Mr. VORYS. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Ohio.

Mr. VORYS. The gentleman mentioned lend-lease funds. In the past few days the papers carried the story that Lend-Lease officials are seeking to have a change in the law preventing the use of such funds after December 31, 1946, for shipments to Europe. Is there anything in this present bill that would affect that situation?

Mr. TABER. There is not. I might say to the gentleman that our committee held hearings on that situation. We have not taken it up in the Deficiency Committee, and we have not acted upon it. There is one item in connection with that which I think the Congress should act on and should provide for. That is an item of about \$100,000 worth of merchandise that the Australian Government purchased from us and for which they have paid in cash. I would think that that presented an entirely different picture from anything else that is in the offing in connection with that situation. I can see no reason why, frankly, any country presently in default of payment, such as the Union of the Soviet Republics is, for the use of ships and which ships have not been turned back as was agreed upon, and where they have failed to get together and make an agreement accepting their obligations, should be handed any more merchandise or should be entitled to the fulfillment of any contract which it is supposed to have made. Frankly, I do not have a ruling on whether or not that alleged contract was of any validity, as yet. But in all transactions there is the right, as I understand it, under any kind of procedure, of stoppage in transit, or of the refusal to deliver things to a proposed debtor who is in default. That is the picture from a business standpoint.

Mr. VORYS. Mr. Chairman, will the gentleman yield further?

Mr. TABER. I yield.

Mr. VORYS. Is this not the proposition: The question is whether anyone has the right to make a moral commitment for the United States Government in face of a statute that would forbid the carrying out of that commitment?

Mr. TABER. That is true. On the other hand, with reference to that particular item of \$100,000 that Australia has paid for, I think they were in a different category from any of the rest of the outfits.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. JAVITS. Is this an appropriate place to ask a question with regard to the denial of a deficiency appropriation for the OPA?

Mr. TABER. I would think so. I intended to discuss that at a little greater length, and I will do so now.

Those of you who have the hearings before you I suggest turn to pages 80 and 81. The OPA has not done an honest job in connection with its operations. At the time the hearings were held, a week of two ago, they had 914 employees in

the office in Washington drawing \$4,000 and more each. They had 851 employees drawing less than \$4,000 each. In other words, they had more generals than they had privates, and that picture with reference to their whole operation extends throughout the country except that it is not quite so bad. The only place where they have as high as three privates to one general is the State of New York. Other places it is hard work to figure out how they have two privates to one general. In Washington they have 122 economists. They have no possible need for any at the present time. They have 31 personnel officers and personnel assistants at a time when they should be reducing the force and should not have any to speak of. They have 147 accountants in the Washington office at a time when three or four should be able to do all the work they have to do. They have 37 investigators in the Washington office, absolutely unnecessary.

They have 14 price executives, with nothing to fix prices on except rents. They have 187 analysts who can perform no useful function whatever. They have 21 administrative officers when they need but one or two. They have six labor relations advisers when the time for that sort of activity has passed. They have 168 lawyers and there is no legal activity for any except possibly six or seven in the rent set-up. They have 25 directors. What they have to do is beyond the imagination of the most gullible. They have 14 administrative assistants, 13 information specialists, 4 archivists, 7 engineers, 22 field representatives, 10 statisticians; and on down the line—business specialists, graphic analysts, executive officers, special advisers, deputy administrators, general counsel—four general counsel. What anybody can imagine they would do is beyond my ability to figure out. Rationing executives, two. That is the first item I have struck where they have any excuse whatever for the set-up. They have: Rationing analysts, 2—probably they need them; stenographic reporter, 1; printing and publications specialists, 4; training specialists, 8; commodity standards specialists, 2—absolutely no use for them; auditor-supervisors, 6; administrators, 1; historians, 6. What do they need them for? Procurement assistant, 1.

That is in the Washington office alone.

Mr. ROBSION. Mr. Chairman, will the gentleman yield for a question?

Mr. TABER. I yield to the gentleman from Kentucky.

Mr. ROBSION. I see there are 914 employees in the Washington office.

Mr. TABER. Yes.

Mr. ROBSION. One of them seems to be a stenographic reporter.

Mr. TABER. Yes.

Mr. ROBSION. I am just wondering how that one stenographic reporter handles the business of the other 913 generals.

Mr. TABER. I suppose the fact that there is one stenographic reporter indicates the real volume of work that is being done.

Mr. COLE of Missouri. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield.

Mr. COLE of Missouri. I wish to call the gentleman's attention to the fact that OPA has transferred a lot of employees to the Division of Rent Control.

Mr. TABER. They have increased the number in the Rent Control Division by 1,500 to 2,000. They have put on people in places where it was absolutely unnecessary. They have extended rent control, according to my information, where it was unnecessary, and they have in general a very incompetent staff and a very incompetent set-up.

Mr. COLE of Missouri. The gentleman is correct. As an example, the regional office in my territory is at Dallas, Tex. Recently they sent 11 inspectors to St. Joseph, Mo., which is the largest city in my district, to investigate the property owners there.

Mr. TABER. Probably not over a thousand miles of travel each way.

Mr. COLE of Missouri. It is about a thousand miles, possibly a little more, from Dallas to St. Joseph.

Mr. TABER. Each way.

Mr. COLE of Missouri. Each way. They are there at a per diem, as the gentleman knows, of \$6 per day, plus all expenses. They have been there for the past 3 or 4 weeks. They are asking the property owners to furnish them with their records from 1938 to the present time. They travel in pairs. One cannot go alone and do the job. They must have two or three who call on the property owners. I call this to the attention of the House so that the Members will know how they are padding the pay rolls and how they are making work for themselves and how they are squandering the appropriations granted to them by the Seventy-ninth Congress.

Mr. TABER. I think probably they have a justification for about 50 out of the 914. That would be my judgment from the whole picture.

Mr. JAVITS. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from New York.

Mr. JAVITS. We are in no position obviously, in looking over this set-up, not having been in the hearings, to know what these people are doing. I happen to be one who is convinced that we have to have rent control and I do not feel we can have rent control by hobbling the OPA so that it does a bad job of administration. Therefore, I ask the gentleman this question: Is the gentleman convinced, as a result of the hearings, that the OPA will be able to carry on its rent-control functions until June 30, 1947, yet give landlords who have true hardship cases adequate and rapid enough satisfaction so that we will not have the unnecessary pressure from them to do away with the OPA and rent control, which the people in my district are about 95 percent for?

Mr. TABER. My own idea was, after very careful and extensive hearings on this subject, that we could rescind about \$12,500,000. The judgment of the committee is \$9,000,000. My own idea was to allow every dollar that I could legitimately allow for an honest administration of this rent activity. I cannot see any sense in allowing a great lot of money

for them to carry on their pay roll a lot of generals and other personnel that they do not need and that they have no useful function for.

I will give you an illustration of some of the highfalutin activities. They had an employment committee set up composed of 64 people whose average salary from the OPA was \$7,500 to \$8,000. The job that these people had to do was to go out and get jobs for the employees of the OPA. Perhaps the thing to do is to try to supersede the employment offices that are set up all over the United States by grants to the States and the District of Columbia under the Labor and Federal Security bill, but, frankly, the idea does not appeal to me. I think it is an utter and absolute waste of money, as well as a violation of the trust and duty imposed upon the managers of the OPA when they were given their appropriation. As I remember the figure, they have two-hundred-and-sixty-odd people involved in getting up a history of the OPA and, in my opinion, the only value that I can see in that would be for guiding future generations in what not to do.

The CHAIRMAN. The Chair advises the gentleman that he has consumed 25 minutes.

Mr. COLE of Missouri. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Missouri.

Mr. COLE of Missouri. How much does this leave the OPA after rescission of the \$9,000,000?

Mr. TABER. About \$18,000,000, as I remember it.

Mr. COLE of Missouri. Is that not about three times more than it needs?

Mr. TABER. I think it is more than they need; yes, I will give you the exact figure a little later on.

Mr. ROBSION. Mr. Chairman, will the gentleman yield?

Mr. TABER. I yield to the gentleman from Kentucky.

Mr. ROBSION. How much do they have for this year?

Mr. TABER. They had \$101,000,000, as I remember the figure, and the amount of expenditures was somewhere around seventy-odd-million dollars.

Mr. ROBSION. That was allowed for a full year.

Mr. TABER. It was allowed for a full year; that is right.

Mr. ROBSION. And for full activities.

Mr. TABER. But their activities have dropped off and they have not reduced their force as they should. For instance, it came along about the middle of November when they cut off a lot of their pricing activities, but they did not serve any notices upon their employees of termination of employment so that their terminal leave could begin to run. They let them hang around the place until the first of December before they got their notices, and they managed everything else in just the same way. They want to carry on, according to the statement that came out in the paper, with 13,500 personnel to the end of the year. They show no disposition to try and put the set-up on a business basis, which is

absolutely necessary if it is going to succeed, and if your rent control is not going to be destroyed by bad administration.

Mr. JAVITS. Mr. Chairman, if the gentleman will yield further, do I understand the gentleman then to assure us—and the gentleman knows that I have very high regard for his assurance—that he is convinced that OPA can do the rent control job with the funds which will be available to it after the passage of this bill?

Mr. TABER. I believe they can, if they do it honestly.

Mr. Chairman, I now yield 30 minutes to the gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Chairman, this bill is in some respects a very satisfactory bill; in other respects not so satisfactory.

It is satisfactory in that the larger part of the bill is devoted to rescissions recommended by the President. There is a vast number of these rescission items and in all save three the bill before us follows the President's recommendations, word for word and dollar for dollar without deviation. In other words, the Committee on Appropriations is continuing the program of retrenchment and rescission so auspiciously begun by the President and the committee in the last Congress. Following the close of the war, this program was consistently adhered to and funds sequestered as rapidly as the liquidations of war agencies and war activities advanced and as surpluses developed and rescissions became possible and practicable and it is gratifying to see it continued in the pending bill.

There are, however, a few items in the bill, some minor and some which merit more than passing attention.

The first item discussed in the report, the provision for Defense Transportation, is a case in point.

Everybody is familiar with the war record made by Colonel Johnson as head of the Office of Defense Transportation. He accomplished the impossible. He provided cars. He kept the trunk lines open. He kept traffic moving. He kept the trains running. He provided transportation during the critical period of the war when collapse was imminent any day.

Incredible as it may seem the traffic load is heavier today than at any time during the war. To complicate the situation the rolling stock is wearing out. Boxcars are being switched off to the junk yard daily and there are no replacements.

Production and consumption are dependent on transportation. It is useless to produce goods when they cannot be delivered; and consumers are helpless if goods are not available. Transportation is the indispensable link.

We must have cars. Labor is short and materials are lacking. ODT is needed to mobilize construction, allocate material, mobilize labor, and expedite construction.

To meet this new and unexpected situation it is necessary to continue ODT beyond the period originally set for liquidation. The estimate for the purpose is \$143,000, but the committee arbitrarily cuts the amount to \$130,000. It offers

no explanation, no basis of computation on which to predicate such a cut. Throughout its war service ODT has returned at the end of the fiscal year every dollar not needed for the economical administration of its activities. Any surplus of the pending estimate will be returned. So why cut it? If not needed it will not be spent. If required any money cut from the estimate will have to be returned as a deficiency. So the only result of the cut will be to leave the impression that economy is being practiced when actually no economy is being effected.

In the same way, an arbitrary cut is made in the estimate for the Division of Disbursements in the Treasury Department. This agency has no control over the volume of its work. It must accept the allocations of the various agencies of the Government which themselves have no choice but to forward to the Division of Disbursements the volume of work assigned to them, whether large or small. The work must be done and money must be provided to do it. The money cannot be expended unless needed. So again, the cut here is merely to leave the impression of saving money when as a matter of fact not a dollar is saved by the cut.

The item for the Office of Price Administration is not retrenchment. It is extinction. The provision for OPA amounts to liquidation.

Here is the analysis of the situation as submitted to the committee:

MY DEAR MR. TABER: We have just completed an analysis of the report of the subcommittee in charge of the urgent deficiency appropriation bill, 1947.

From the determinations made by the committee as indicated by this report, we feel sure there has been a misunderstanding of the information submitted by the Office of Price Administration and the Civilian Production Administration of the Office of Temporary Controls:

We feel that we should immediately call your attention to the following facts and the situations that would result if action is taken on the basis of the committee report:

With regard to the Office of Price Administration, there was available on January 1, 1946, as stated in the committee report, \$27,649,222; obligations incurred between January 1 and February 15, 1947, amount to \$10,213,534, which leaves a balance available from February 15 to June 30 of \$17,435,688. If the recommendation of the committee to rescind \$9,000,000 is carried out, there will be left a balance of only \$8,435,688. The present dollar value of accrued annual leave is \$7,555,974. This would leave only \$879,714 for liquidation and program activities—sufficient for only a few days' operation.

If the rescission is made effective and the Office of Price Administration meets its present financial obligations, it must immediately—

1. Stop rent control.
2. Stop all sugar rationing.
3. Stop all price control on sugar, rice, and sirups.
4. Stop all audits in connection with subsidy payments.
5. Eliminate all enforcement and compliance activities.
6. Eliminate all activities in connection with the veterans' housing program.

With regard to the proposal to increase the rescission for the Civilian Production Administration from \$1,200,000 to \$2,400,000, I should like to call your attention to the statement of Mr. Houston, Commissioner of

Civilian Production Administration, as recorded on page 154 of the hearings.

"On the basis of complete termination of all Civilian Production Administration functions by March 31, 1947, * * * the financial requirements would be \$15,800,000 as compared to \$16,800,000."

This statement makes it clear that the million-dollar reduction is definitely predicated on stopping Civilian Production Administration work March 31, and not June 30, which may not have been understood by the committee.

If the action of the committee is approved, the Civilian Production Administration will have to discontinue all program activities on March 31, which means they must:

Cease all functions performed in connection with the Veterans' Emergency Housing Program, including those provided for by the Patman Act.

Dismiss employees now engaged in allocation and priority operations in connection with tin, rubber, antimony, cinchona, streptomycin, tractors, automobiles, and other imports and exports. In respect to these items, this would mean that even if positive legislation is enacted to implement the recommendations made by the President in his message of January 31, there would be no personnel available to implement the continuing work required by the legislation.

Suspend all functions on premium-payment plans for the housing program, including the audit of accounts for payments already made.

Halt all compliance activities, including the completion of cases now pending in the courts or about to be brought before the courts, whether in connection with housing or earlier programs of the Civilian Production Administration and the War Production Board.

Drop defense of Government claims to which the Civilian Production Administration or the War Production Board was a party. These claims are filed against the Government under section 17-A, Contract Settlement Act, Renegotiation Act, Requisitioning Act, Tax Amortization Act, and other statutes.

Abandon the partially completed program of the agency to analyze and make available for future use the records and details of actions taken by the War Production Board and other predecessor agencies.

Stop informal assistance in support of the freight-car program.

We appreciate the seriousness of the proposal of the committee which, if made into law, would in effect stop all Office of Price Administration program activities immediately and all Civilian Production Administration activities by March 31. In carrying out our administrative duties, we do not feel that we can properly stop these programs based on the committee report but must wait until there is final action by the Congress. This means, of course, that obligations continue to accrue and the situation with regard to available balances will become progressively more serious.

Sincerely yours,

J. W. FOLLIN,
Acting Administrator.

To summarize the statement in tabular form, here is the proposition reduced to its simplest terms:

1947 appropriation-----	\$101,000,000
Less transfer to FTC-----	125,000
Available appropriation-----	100,875,000
Obligations to Feb. 15-----	83,439,312
Unobligated balance of original appropriation as of Feb. 15--	17,435,688
Less proposed rescission of----	9,000,000
	8,435,688

Employees' accumulated annual leave ----- \$7,555,974

This sum available for purposes other than payment of accumulated annual leave, as of Feb. 15 provided \$9,000,000 rescission should become effective----- 879,714

In other words, with only \$879,714 remaining, liquidation is the only alternative. What does that involve?

All rent control stops. The law is still in effect but there is no money with which to implement it. Without funds there can be no enforcement. And without enforcement the law is a dead letter.

Rationing of sugar ceases. Without money to maintain the agency, rationing is at an end. Price control on sugar, rice, and sirups stops. Audits on subsidy payments must be abandoned. And all activities in connection with the veterans' housing program must be discontinued.

It may be that this is the committee program. I am not taking issue with it. I am merely calling attention to the effect the agency says will follow enactment of the provisions of the pending bill.

Similarly, the provision for the Civilian Production Administration will force immediate liquidation. According to the figures submitted to the committee by CPA the fiscal program laid down in the bill would have required post liquidation commencing 2 weeks ago in order to comply with the provisions of the act.

Mr. Chairman, while the principal provisions of the bill are in keeping with the program of the President, the Bureau of the Budget and the last Congress, I recommend to the committee and the House a careful and factual study of these individual items which affect so directly the national economy during this critical period of reconversion. Unquestionably they merit deliberate consideration in this or another body.

Mr. Chairman, I yield 10 minutes to the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Chairman, I am amazed to hear the statement by the gentleman from Missouri that the action of the Committee on Appropriations in connection with the Office of Price Administration means that the ability to control rents and the control of the rationing of sugar will disappear very shortly. There are two ways to kill an agency—that is, by direct attack through legislation, or by failure to appropriate money. I hope that the price of sugar is not going to increase to 30, 40, and 50 cents. Certainly, if we do not have some kind of sugar rationing, the American public, the consumers, are going to feel it very keenly. If we have a rent situation that is uncontrolled, there is bound to be an increase in rents, and the responsibility will rest upon the Republican Party.

In connection with the appropriations we make for our armed forces, such appropriations are the price or premium that we pay for national security. In connection with this important duty, we should give the benefit of any reasonable doubt to that determination which will assure security rather than in security. We cannot let the conditions that ex-

isted after World War I be a guide for meeting the conditions that now exist following World War II; that is, unless we are going to follow, as we did then, the road of isolationism. That was the road which the country was committed to by the Republican Party in the Congresses of the years following World War I. I wonder if history is going to repeat itself, and I wonder if the dreadful experiences of World War II are going to be ignored.

After World War I, America failed to assume its dominant role in world affairs. To follow the road of isolationism now, as has been done in the past, will be inconsistent with our present and future national interests. Due to the policy of isolationism that we followed after World War I, and the disarmament conference in 1922, as a result of which we scrapped a mighty fine navy, which, by the way, also was during a Republican administration, appropriations for defense purposes were sharply reduced. In the light of world conditions today and so far as we can see into the immediate future, it would be dangerous to do that now.

An ounce of prevention is worth a pound of cure. If any Member thinks he can justify himself or lull himself into slumber by voting for this reduction, \$6,000,000,000, and that it is only a gesture, or a meaningless or pious hope, and when specific appropriation bills come up vote the other way, I call his attention to the frank admission made to me only yesterday by the distinguished gentleman from New York [Mr. TABER] that he will consider the resolution agreed upon as instructions to the Committee on Appropriations to keep within that limit. Do not underestimate the ability or the courage of the gentleman from New York [Mr. TABER], nor his tenacity. Also, do not underestimate the same qualities in the gentleman from Minnesota [Mr. KNUTSON].

If my friend from Minnesota had not spoken too soon in favor of a 20-percent income-tax cut across the board, which practically every big taxpayer is favoring, the quickie tax, so called, and if it goes through will be a wickie tax, meaning wicked, I am strongly inclined to the belief that the situation would be different today.

This reduction is not based on reason. Its basis is the 20-percent wickie tax cut. In order of the Knutson bill to have any chance of passing, a large reduction in the budget, even if not justified, must take place to comply with the campaign promises made by a few men in pivotal positions; even if it means our country again taking the dangerous road of pacifism and isolationism.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. Oh, yes; I yield to the gentleman.

Mr. HALLECK. I do not know whether my memory serves me completely or not, but it runs in my mind that shortly after I came to Congress the administration of the gentleman then being in power proposed what was known as the Neutrality Act. Some of the provisions of that act were to bar our vessels from dangerous waters, and such other

provisions as to prevent the sale of war goods to belligerent countries.

Mr. McCORMACK. What is the question?

Mr. HALLECK. The question is simply this, if there was any isolationism in the country, was that not a definite move in the direction of isolationism, and was it not presented by the gentleman's party?

Mr. McCORMACK. The answer to that is emphatically "No." Oh, you Republican gentlemen may laugh and smile, but the reason for that answer is that we passed a Neutrality Act in those years so that we would not be permitting the powers of America to be used in the conflict going on in Spain by the so-called Loyalist government. We passed the Neutrality Act in those years so that the foreign policy of America would not be such as to lend assistance, directly or indirectly, to the destructive forces that were engaged in the Spanish conflict. We amended the Neutrality Act in later years because the continuance of it was helping Hitler, and we were helping the destructive forces engaged in the war before we were forced into it. So that the basic proposition is that our country passed the Neutrality Act in the Spanish conflict so that we would not be helping the Loyalist cause which was the only side of that conflict that had freedom of the seas, and could send vessels to America to get arms to transport over there to use against the other forces. We amended that law in later years so that we would not again be helping the destructive influence that was engaged in the World War, represented by Hitler.

Mr. HALLECK. Will the gentleman yield further?

Mr. McCORMACK. I yield for a question only, because I have some other observations to make. I yield because the gentleman is majority leader and I respect him, but the gentleman knows I have only 10 minutes.

Mr. HALLECK. I certainly do not want to monopolize the gentleman's time.

Mr. McCORMACK. By the way, the gentleman forgot to answer a question of mine yesterday. How did the gentleman vote on the extension of the Selective Service Act in 1941?

Mr. HALLECK. I voted "no" on the extension.

Mr. McCORMACK. And it passed by a 1-vote margin. If that bill had not become law we might not be sitting here today.

Mr. HALLECK. Mr. Chairman, will the gentleman yield to permit me to answer the question he asked me?

Mr. McCORMACK. I yield.

Mr. HALLECK. I said to the gentleman, as the RECORD discloses, that I voted "no." If the gentleman's administration had told the Congress and the country the true state of affairs in the world, of course I would not have voted "no."

Mr. McCORMACK. What an alibi that is. What an alibi. What a poor alibi.

Mr. HALLECK. Mr. Chairman, will the gentleman yield further?

Mr. McCORMACK. Wait awhile; I have the floor. I will yield, of course,

but let me answer. The gentleman's alibi cannot stand up in the light of history. I now yield.

Mr. HALLECK. It certainly will stand up much better than the gentleman's alibi about how the Neutrality Act was passed to meet a situation existing in Spain. I never heard a more ridiculous assertion in my life.

Mr. McCORMACK. The gentleman is losing control of himself. The gentleman voted against every bill before Pearl Harbor necessary for the preservation of the United States of America.

Mr. HALLECK. Will the gentleman yield?

Mr. McCORMACK. I am going to continue my observations.

Mr. HALLECK. Will the gentleman yield further?

Mr. McCORMACK. I will yield; yes.

Mr. HALLECK. The gentleman refers to the fact that as he suggested—

Mr. McCORMACK. It is rather pleasing to know that I get under the gentleman's skin.

Mr. HALLECK. Certainly the gentleman does not mean to say what he just said, because no later than yesterday he said: "Why, the gentleman from Indiana voted against all the appropriations for the prosecution of the war."

Mr. McCORMACK. I said before Pearl Harbor.

Mr. HALLECK. The gentleman said "prior to Pearl Harbor" and I said I voted for them.

Mr. McCORMACK. Did the gentleman vote to lift certain restrictions of the Neutrality Act?

Mr. HALLECK. Of course I did.

Mr. McCORMACK. That is exactly correct.

The CHAIRMAN. The time of the gentleman from Massachusetts has expired.

Mr. CANNON. Mr. Chairman, I yield the gentleman three additional minutes.

Mr. HALLECK. Mr. Chairman, will the gentleman yield?

Mr. McCORMACK. I hope the gentleman will let me have a portion of my 3 minutes.

Mr. HALLECK. I certainly will; and I shall be short.

Mr. McCORMACK. There seems to be something about the gentleman from Massachusetts that makes the gentleman from Indiana feel compelled to ask the gentleman from Massachusetts to yield whenever the gentleman from Massachusetts takes the floor.

Mr. HALLECK. The gentleman from Massachusetts and I always get along.

Mr. McCORMACK. We are warm friends.

Mr. HALLECK. We are warm friends. The gentleman in his speech apparently is complaining about our cutting the cost of government and our action to reduce taxes. I infer from what the gentleman has said that he is against cutting the expenses of government and against reducing the personal income taxes of the people of the country.

Mr. McCORMACK. The gentleman, of course, against jumps to an erroneous conclusion. The gentleman has not been following what I have said. I am talking about a \$6,000,000,000 cut as proposed

and its effect upon our Army and Navy, our national defense, and the national interests of our country. Witness the Republican promise to lift wartime excise taxes even before June 30. Witness the failure to keep that promise and the extension of these excise taxes permanently, the reason being—now mark this—the reason being the necessity for this additional revenue, \$1,200,000,000 to put through the Knutson bill. Also further in support of this fact that the legislative pattern is being cut by the Republicans for this "quickie-wickie" tax reduction, our national defense, and our national interest to the contrary notwithstanding.

I call attention to a statement appearing in the Washington Post only this morning purporting to come from my distinguished friend from Minnesota [Mr. KNUTSON] in announcing the postponement of hearings on his bill which were scheduled to open tomorrow, saying that the failure of the Congress to slash the President's budget by \$6,000,000,000 would materially cut the idea of a 20-percent tax reduction. The evidence clearly supports the finding that a primary purpose of the arbitrary cut is tax reduction as proposed by the Knutson bill—and the national interest of our country be damned.

At this time, with our civilization, our way of life, and our concept of government being challenged by another concept of life, it is my belief that our national interest is more directly linked up with the necessary power of our armed forces than if such a challenge did not exist.

Mr. CANNON. Mr. Chairman, I yield 5 minutes to the gentleman from Florida [Mr. SMATHERS].

(Mr. SMATHERS asked and was given permission to revise and extend his remarks.)

Mr. SMATHERS. Mr. Chairman, according to the Legislative Calendar, on Thursday, February 20, the Congress will consider and vote on the proposed cut to the Federal Budget. In my humble opinion the vote on that subject will be the most important that will come before us while Members of the Eightieth Congress. I know how I am going to vote, yet I do not consider it sufficient to merely cast a vote, for the importance of this question requires a statement of reasons as to why one votes as he does.

I hasten to say that I am far from being an expert on budgetary matters.

But, Mr. Chairman, I have seen at firsthand and do know something about the tragedy, the pain, and the devastation of war. Thousands of pages have been written of the destruction, the waste, and the havoc of World War II, and hundreds of thousands of pages have already been written of how vastly more terrible will be the results of World War III. While nobody can accurately state just what the results of World War III would be, certainly all of us agree that insofar as our country—its people, its system of government—are concerned, the results would be catastrophic. Certainly therefore we all can agree that the problem of working

out a lasting peace is the No. 1 problem facing this Congress and the world.

Economy is important. Both Democrats and Republicans alike want an economically operated government. There may be some difference in the approach to the question of economy, but in substance I think that everyone wants economy in government because everyone knows that practical economy usually goes hand in hand with efficiency. Tax reductions are important. Everyone wants less taxes. I have yet to see the man who enjoys paying taxes. Certainly all of us want to lower them at the first real opportunity.

Those two problems are important ones that are facing this Congress; but can anyone successfully claim that the problems of economy and lower taxes are more important to this country than is the problem of peace? No answer is needed. Yet, gentlemen, tomorrow in considering the question of the proposed cut in the budget, we should keep reminding ourselves that peace is vastly more important than taxes.

According to the reports as I read them, the proposed budget cut of \$6,000,000,000 would reduce the money allocated to the United States Army by \$1,000,000,000. It would reduce the money now allocated to the United States Navy by \$750,000,000. It would reduce the money now allocated for the functioning of civilian affairs in foreign countries by \$500,000,000.

On February 15 the New York Times quoted Secretary Marshall as saying to reporters following the closed meeting of the Senate Foreign Relations Committee, and I quote:

If the Army is deprived of the necessary funds, or adequate funds, to provide food for those people who are so sorely in need of it, a practically impossible situation will be created for our troops and for our Government in its international commitments. We cannot expect to maintain the occupation with our troops if the people are starving. That would be an intolerable condition, and under that condition the present procedure would be impractical.

Mr. Chairman, I am certain we are all aware that upon Secretary Marshall's shoulders has been placed the greatest and gravest responsibility that it is possible for man to carry—that of working out a world peace—yet are we going to make his already difficult and dangerous task onerous by depriving him of the funds that he needs?

Senator VANDENBERG, who has played a large and important part in working out the manifold problems of peace, is reported in the Evening Star to have said that he was opposed to any budget cuts that would require the United States to "disarm alone." He further declared that he feared "a cut of \$1,750,000,000 in Army and Navy funds might upset American prestige in troubled international affairs." Senator CONNALLY, the great Texan, who has been a part of this great American team for peace, has voiced strenuous objection to the proposed cut.

Now, Mr. Chairman, is there anyone better qualified to pass judgment on the requirements and needs of the peace

problem than Secretary of State Marshall and Senators VANDENBERG and CONNALLY? I do not know of any Congressman who claims that he is better qualified. Marshall, Vandenberg, and Connally know that, while we have made some steps toward a peace program, world peace is not yet a reality. It is still a hope. They know that another world conflagration could overwhelm us in the space of a few months. They know the necessity for us to have adequate armed forces, not only to protect us during this period of uncertainty and unrest but to give us bargaining power at the conference table.

Someone may wonder what constitutes an adequate armed force sufficient to protect this country in event of an emergency. No doubt we have some military and naval experts in the Congress; no doubt some of them are sitting on this Budget Committee, but do they or anyone else claim that they know more about what the Army needs to maintain adequate standards than does General Eisenhower? Does anyone in this Budget Committee claim he knows as much about the Air Force as General Spaatz, or about the Navy as Secretary Forrestal or Admiral Nimitz? These are the best qualified men in the country to advise us on our armed forces, and they all urge us not to cut the armed-forces allocation, because, and I quote Secretary of War Patterson, "the President's War Department estimate was down to the minimum our leaders believed necessary for support of our occupation forces overseas and for reasonable guaranties for national security."

Most of us have agreed that Secretary Byrnes' policy of "friendly but firm" in dealing with foreign countries was a sensible and wise one. We can be friendly, but how can we be firm if we have reduced our strength to below the standard of adequacy. It takes strength and power to be firm.

Mr. Chairman, if we vote for the proposed \$6,000,000,000 cut in the President's Budget, we are grossly ignoring the advice and counsel of those men who, in all fairness, we must admit, know more about the armed forces, the practical problems of peace, and what is needed to protect our country, than does anyone else in these United States. If we vote for the proposed cut, we are closing our eyes to the fact and entrusting our fate to chance. No one can be certain just what lies ahead. Certainly we are inviting trouble by weakening ourselves at this time—yet no one knows—we are gambling. We are gambling the biggest stake in the world—peace—against less than \$2,000,000,000. The stakes are all out of proportion.

Money is important. Lower taxes are important. But certainly they are not important when the choice could easily lie between money or bloodshed—less taxes or peace.

I would think that those veterans who had seen their friends, their brothers, their buddies, give their lives in order that the world might have peace, I should think that those fellows who had seen that sacrifice would think a long

time before making that sacrifice a mockery by giving it away for \$2,000,000,000 and lower taxes.

Mr. TABER. Mr. Chairman, in view of the fact that some of the figures that were given by the gentleman from Missouri came in a letter which was delivered after I took the floor, I feel obliged to take the well of the House at this time and call attention to the serious discrepancies in the stories that have been told by the OPA.

First off, in the President's budget estimate he reports expenditures to the 30th of November of \$56,971,000, leaving a balance of \$44,000,000. The OPA told us that they had spent \$80,000,000 to the 1st of February, or at a rate double what they had been spending in the previous months. Based on the President's budget statement we would be able to cut at least \$12,000,000 back and let them go on and operate with the force that they now have, allowing plenty of money for terminal leave and everything else.

Now they come in here with a statement indicating not only that they have spent twice as much money in December, but that they have spent in January and the first half of February \$10,000,000, which is just twice as much as they could possibly spend on the same ratio that they have been operating on before.

Frankly, I am in this position: I do not believe a word of the testimony that they have given us or a word that is in the letter, and I shall stick to my position.

The CHAIRMAN. The time of the gentleman from New York has expired. All time has expired. The Clerk will read the bill for amendment.

The Clerk read as follows:

TITLE II—REDUCTIONS IN APPROPRIATIONS AND AUTHORIZATIONS

Amounts available to the departments and agencies from appropriations and other funds are hereby reduced in the sums hereinafter set forth, such sums to be carried to the surplus fund and covered into the Treasury immediately upon the approval of this act:

EXECUTIVE OFFICE OF THE PRESIDENT

Office for Emergency Management:

Office of Scientific Research and Development:

Working fund, Executive, Emergency Management (Office of Scientific Research and Development), 1942-46, \$2,044,477.

Working fund, Executive, Emergency Management (Office of Scientific Research and Development), 1940-46, \$160,744.

Working fund, Executive, Emergency Management (Office of Scientific Research and Development), 1945, \$6,638,979.

Office of Temporary Controls:

Salaries and expenses, Civilian Production Administration functions, Office of Temporary Controls, 1947, \$2,400,000: *Provided*, That the Civilian Production Administration shall be discontinued and its affairs placed in liquidation not later than June 30, 1947.

Salaries and expenses, Office of Price Administration functions, Office of Temporary Controls, 1947, \$9,000,000.

Salaries and expenses, Office of War Mobilization functions, Office of Temporary Controls, 1947, \$60,000.

Mr. CASE of South Dakota. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, I take this time to say for the benefit of those who have come

in since general debate started that the action taken here with respect to the Civilian Production Administration and the Office of Price Administration functions means that we are definitely on our way toward redeeming the pledges made to the people that we are going to save some money out of the Budget, money that has previously been appropriated.

The mandate given in lines 10 to 13 on page 4 provides that the Civilian Production Administration shall be discontinued and its affairs placed in liquidation not later than June 30, 1947. I recognize that it has been said, probably, a little during the debate here, and more will be said in the press, that that interferes with the CPA's continuing to allocate materials, and the red herring will be drawn that that will affect the veterans' housing program.

At a meeting of the committee on veterans' housing conducted by the South Dakota Department of the American Legion, in my own State, along in November, members of the Legion, representing the building trades, the construction industry, and just rank-and-file veterans, came to the conclusion that continued channeling of materials was defeating the purpose of veterans' housing, defeating jobs for the veterans, and retarding the welfare of the veterans generally. It is my own belief that the CPA program has reached its maximum usefulness, and that the provision here for discontinuing its functions by the 30th of June 1947 will have a salutary effect upon the economy of the country and the welfare of the veterans and their housing program.

With respect to the Office of Price Administration, it must be borne in mind that many controls were discontinued last fall. When the statement was made that the people who lost their jobs by reason of the decontrol then would be added to the other functions of the OPA the country heard it with a horse-laugh. The people just did not believe that kind of thing was possible or would actually be attempted. Actually, that is what happened. In the field of rent control, on the 1st of July last year the OPA had 5,700 people. That was the 1st of July last year, a year after VE-day. Under the figures given the committee in these hearings, on the 1st of February of this year, many months later, that number had increased from 5,700 to 6,554. They had increased the number of rent-control areas in the country from 535 to 649. That is after the war had been over for a year. They increased by almost 1,000 the number of employees of the O. P. A. Rent Control Division between July 1 last year and February 1 of this year. They did increase by over a thousand in the field offices.

The only way we are going to redeem the promises which have been made to the country with respect to getting rid of controls and reducing expenditures is to have the courage to do it. What the committee is here doing is proposing that not only shall we refuse the increase in money this agency has requested but we shall take back some of the

money they have had appropriated for the balance of this year, in order that they may move in the other direction, that of reducing the number of employees rather than increasing them the farther we get away from the war.

When this bill passes, as it will today, you can send out the word: "Congress is in action. We are on the way. We are reducing expenditures. We are reducing the Federal pay roll."

Mr. TABER. Mr. Chairman, in view of the fact that the remainder of the bill involves rescissions which were recommended by the Budget and since the committee is in complete agreement upon it, I ask unanimous consent that further reading of the bill may be dispensed with.

The CHAIRMAN. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. AUGUST H. ANDRESEN. Mr. Chairman, I move to strike out the last word.

After hearing the distinguished minority leader attacking cuts in the appropriation for the OPA and mentioning that sugar may go up 30 or 40 cents a pound, I thought it might be appropriate to talk a little bit about sugar. Mr. Chairman, on Wednesday of this week, the International Emergency Food Council consisting of representatives from more than 30 countries, will meet in secret session to split up or divide amongst themselves American-owned sugar supplies. We are not unwilling to share a portion of our sugar with other countries where they are in short supply, but the question that I want to raise is by what authority the Secretary of Agriculture or any other representative of the United States Government has the right to enter into an agreement with other nations to keep the division of American-owned sugar secret from the people of the country? There is no law authorizing such secrecy. The American people are entitled to learn all of the facts as to what is being done with the sugar owned by the United States Government. In addition, the people are entitled to find out as to sugar supplies in all countries that now seek to secure a substantial portion of American-owned sugar.

The special food committee to investigate the sugar situation insists that the direct sugar allotment for consumers in the United States be increased from 35 to 40 pounds for 1947 as against 25 pounds last year. The committee also recommends an increase for industrial users of approximately 30 percent. These are minimum recommendations of the committee. If the Secretary of Agriculture or any member of the Cabinet consents to any smaller amount of sugar than recommended by the committee, American consumers should know where the responsibility belongs.

To fill the minimum quotas of sugar recommended by the committee for American consumers for use in 1947, we will need approximately 3,300,000 tons of American-owned Cuban sugar. This amount from Cuban supplies plus 3,808,000 tons produced in American areas

shows a minimum requirement of approximately 7,200,000 tons of sugar for the use of domestic consumers in 1947. I insist that the Secretary of Agriculture stand by the recommendations of the committee and that all proceedings of the International Emergency Food Council, including information on stocks and supplies of sugar in other countries, be made available to Congress and the country.

I again invite the Members of the House to secure copies of the report of the committee on the sugar situation, and I also urge my colleagues to contact the Secretary of Agriculture today with a demand that he retain a minimum of 3,300,000 short tons of American-owned Cuban sugar for use in 1947 by the American people.

Mr. TABER. Mr. Chairman, I move that the Committee do now rise and report the bill back to the House with the recommendation that the bill do pass.

The motion was agreed to.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. HERTER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee, having had under consideration the bill (H. R. 1968) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1947, and for other purposes, directed him to report the same back to the House with the recommendation that the bill do pass.

Mr. TABER. Mr. Speaker, I move the previous question on the bill to final passage.

The previous question was ordered.

The SPEAKER. The question is on the engrossment and third reading of the bill.

The bill was ordered to be engrossed and read a third time, and was read the third time.

The SPEAKER. The question is on the passage of the bill.

Mr. MARCANTONIO. Mr. Speaker, I object to the vote on the ground that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and three Members are present, not a quorum.

The Doorkeeper will close the doors; the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 320, nays 25, not voting 87, as follows:

[Roll No. 7]

YEAS—320

Abernethy	Beckworth	Burke
Albert	Bender	Burleson
Allen, Calif.	Bennett, Mich.	Butler
Allen, La.	Bennett, Mo.	Byrnes, Wis.
Almond	Bishop	Canfield
Anderson, Calif.	Blackney	Cannon
Andresen,	Boggs, Del.	Carroll
August H.	Boggs, La.	Carson
Angell	Bolton	Case, N. J.
Arends	Bonner	Case, S. Dak.
Arnold	Bradley, Calif.	Chadwick
Auchincloss	Bradley, Mich.	Chapman
Bakewell	Bramblett	Chelf
Banta	Brehm	Chenoweth
Barrett	Brooks	Chiperfield
Bates, Ky.	Brophy	Church
Bates, Mass.	Brown, Ga.	Clark
Battle	Bryson	Clason
Beall	Buck	Clevenger

Cole, Kans.	Howell	Peden
Cole, Mo.	Hull	Philbin
Colmer	Jackson, Calif.	Phillips, Calif.
Combs	Jackson, Wash.	Phillips, Tenn.
Cooley	Jarman	Pickett
Cooper	Javits	Ploesser
Corbett	Jenkins, Pa.	Poage
Cotton	Jennings	Potts
Courtney	Jensen	Preston
Cox	Johnson, Calif.	Rains
Cravens	Johnson, Ill.	Ramey
Crosser	Johnson, Ind.	Rankin
Crow	Johnson, Tex.	Rayburn
Curtis	Jones, Ala.	Redden
Dague	Jones, N. C.	Reed, Ill.
D'Alesandro	Jones, Ohio	Reed, N. Y.
Davis, Ga.	Jonkman	Reeves
Deane	Judd	Richards
Devitt	Kean	Riehlman
Dingell	Kearney	Riley
Dirksen	Kearns	Rivers
Dolliver	Keating	Robertson
Domenegeaux	Kee	Robison
Dondero	Keefe	Rockwell
Dorn	Keogh	Rogers, Fla.
Doughton	Kerr	Rogers, Mass.
Drewry	Kilburn	Rohrbough
Durham	Kilday	Rooney
Eaton	Kirwan	Ross
Ellis	Knutson	Sadlak
Ellsworth	Kunkel	St. George
Elsaesser	Landis	Sarbacher
Elston	Lane	Sasser
Engel, Mich.	Lanham	Schwabe, Mo.
Evins	Larcade	Schwabe, Okla.
Fallon	Latham	Scott, Hardie
Feighan	Lea	Scott,
Fellows	LeCompte	Hugh D., Jr.
Fenton	LeFevre	Scrivner
Fisher	Lemke	Seely-Brown
Flannagan	Lesinski	Shafer
Fletcher	Lewis	Sheppard
Fogarty	Lodge	Short
Foote	Love	Simpson, Ill.
Forand	Lusk	Smathers
Gallagher	Lyle	Smith, Kans.
Gamble	McConnell	Smith, Maine
Gary	McCormack	Smith, Ohio
Gathings	McCowan	Smith, Va.
Gavin	McDonough	Smith, Wis.
Gearhart	McDowell	Snyder
Gifford	McGregor	Spence
Gillette	McMahon	Springer
Gillie	McMillan, S. C.	Stanley
Goodwin	McMillen, Ill.	Stefan
Gore	MacKinnon	Stevenson
Gossett	Macy	Stigler
Graham	Mahon	Stockman
Granger	Maloney	Stratton
Grant, Ala.	Manasco	Sundstrom
Grant, Ind.	Mansfield, Tex.	Taber
Gregory	Martin, Iowa	Talle
Griffiths	Mathews	Teague
Gwynne, Iowa	Meade, Md.	Thomas, Tex.
Hagen	Merrow	Thomason
Hale	Michener	Tibbott
Hall,	Miller, Conn.	Tollefson
Edwin Arthur	Miller, Md.	Trimble
Hall,	Miller, Nebr.	Twyman
Leonard W.	Mills	Vail
Halleck	Morgan	Van Zandt
Hand	Morris	Vorys
Harless, Ariz.	Morrison	Vursell
Harness, Ind.	Morton	Wadsworth
Harris	Muhlenberg	Walter
Harrison	Mundt	Weichel
Havener	Murdock	Welch
Hébert	Murray, Tenn.	Wheeler
Herter	Murray, Wis.	Whitten
Heselton	Nixon	Whittington
Hess	Nodar	Wigglesworth
Hill	Norblad	Williams
Hinshaw	O'Brien	Wilson, Ind.
Hobbs	O'Konski	Wilson, Tex.
Hoeven	Owens	Winstead
Hoffman	Pace	Wolverton
Holmes	Passman	Wood
Hope	Patman	Worley
Horan	Patterson	Youngblood

NAYS—25

Buchanan	Kelley	Powell
Celler	King	Price, Ill.
Delaney	Klein	Rabin
Douglas	Lynch	Rayfiel
Gordon	Madden	Sabath
Hart	Marcantonio	Sadowski
Heffernan	Miller, Calif.	Somers
Huber	Norton	
Karsten, Mo.	O'Toole	

NOT VOTING—87

Allen, Ill.	Barden	Boykin
Andersen,	Bell	Brown, Ohio
H. Carl	Bland	Buckley
Andrews, Ala.	Blatnik	Buffett
Andrews, N. Y.	Bloom	Bulwinkle

Busbey	Gross	Norrell
Byrne, N. Y.	Gwinn, N. Y.	O'Hara
Camp	Hardy	Peterson
Clements	Hartley	Pfeifer
Clippinger	Hays	Plumley
Coffin	Hedrick	Poulson
Cole, N. Y.	Hendricks	Price, Fla.
Coudert	Holfield	Priest
Crawford	Jenison	Rees
Cunningham	Jenkins, Ohio	Rich
Davis, Tenn.	Johnson, Okla.	Rizley
Dawson, Ill.	Jones, Wash.	Russell
Dawson, Utah	Kefauver	Sanborn
D'Ewart	Kennedy	Scoblick
Donohue	Kersten, Wis.	Sikes
Eberharter	Lucas	Simpson, Pa.
Elliot	McGarvey	Taylor
Engle, Calif.	Mansfield,	Thomas, N. J.
Fernandez	Mont.	Towe
Folger	Mason	Vinson
Fuller	Meade, Ky.	West
Fulton	Meyer	Wolcott
Gerlach	Mitchell	Woodruff
Goff	Monrone	Zimmerman
Gorski	Norman	

So the bill was passed.

The Clerk announced the following pairs:

General pairs:

Mr. Allen of Illinois with Mr. Pfeifer.
 Mr. Cole of New York with Mr. Eberharter.
 Mr. Gwinn of New York with Mr. Donohue.
 Mr. Jenkins of Ohio with Mr. Sikes.
 Mr. Hartley with Mr. Hedrick.
 Mr. D'Ewart with Mr. Andrews of Alabama.
 Mr. Norman with Mr. Clements.
 Mr. Clippinger with Mr. Mansfield of Montana.
 Mr. Brown of Ohio with Mr. Priest.
 Mr. Fuller with Mr. Camp.
 Mr. Busbey with Mr. Vinson.
 Mr. O'Hara with Mr. Fernandez.
 Mr. Andrews of New York with Mr. Byrne of New York.
 Mr. Coudert with Mr. Bland.
 Mr. Fulton with Mr. Davis of Tennessee.
 Mr. Cunningham with Mr. Engle of California.
 Mr. Buffett with Mr. Gorski.
 Mr. Dawson of Utah with Mr. Dawson of Illinois.
 Mr. McGarvey with Mr. Monrone.
 Mr. Crawford with Mr. Buckley.
 Mr. Sanborn with Mr. Folger.
 Mr. Towe with Mr. Bell.
 Mr. Simpson of Pennsylvania with Mr. Peterson.
 Mr. Scoblick with Mr. Hendricks.
 Mr. Thomas of New Jersey with Mr. Kefauver.
 Mr. Plumley with Mr. Boykin.
 Mr. Rich with Mr. West.
 Mr. Russell with Mr. Bulwinkle.
 Mr. Mason with Mr. Holfield.
 Mr. Wolcott with Mr. Lucas.
 Mr. Poulson with Mr. Barden.
 Mr. Woodruff with Mr. Price of Florida.
 Mr. Gross with Mr. Bloom.
 Mr. H. Carl Andersen with Mr. Zimmerman.

Mr. CELLER changed his vote from "yea" to "nay."

Mr. MADDEN changed his vote from "yea" to "nay."

The result of the vote was announced as above recorded.

A motion to reconsider was laid on the table.

Mr. MARCANTONIO. Mr. Speaker, I voted against H. R. 1968 for the following reasons:

First. The bill reduces veterans' appropriations from the requested \$307,258,000 to \$135,000,000.

Second. It eliminates appropriations for OPA. This withholding of funds endangers rent control.

CONFEREES ON EXCISE-TAX LEGISLATION

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent that the number of

conferees on the bill which was sent to conference this morning be enlarged to seven.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

The SPEAKER. The Chair appoints the gentleman from Pennsylvania [Mr. SIMPSON] and the gentleman from Tennessee [Mr. COOPER] to act as conferees.

SPECIAL ORDER GRANTED

Mr. CELLER. Mr. Speaker, I ask unanimous consent that on Monday next, after disposition of matters on the Speaker's desk and other special orders, I may be privileged to address the House for 35 minutes.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

PERMISSION TO ADDRESS THE HOUSE

Mr. VORYS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

THE LATE COLONEL EARLE L. JOHNSON

Mr. VORYS. Mr. Speaker, our Nation sustained a great loss yesterday in the death of Col. Earle L. Johnson, national commander of the Civil Air Patrol, when the plane he was flying crashed only half a mile from its take-off at Cleveland Airport.

Colonel Johnson was my friend for many years. Of gigantic stature, well over 6 feet, with the genial simplicity of a big boy, he naturally had the nickname of "Tiny" Johnson. He was a lineman on Ohio State University first Western Conference football team in 1916. He was active in farming, real estate, and business and served three terms as a representative in the Ohio General Assembly. He became interested in aviation during this period through his friendship with his colleague David S. Ingalls. In 1929 Mr. Ingalls was author of the law creating a bureau of aeronautics for the State of Ohio. I had the honor of being appointed as Ohio's first director of aeronautics. In 1931 various amendments and improvements to the law, which experience had shown were necessary, were drafted in a bill which Colonel Johnson sponsored in the Ohio Legislature. Although this bill was vetoed by the Governor, such a protest arose from friends of aviation that it was immediately re-passed with slight changes and is still the law in Ohio. In 1939 Colonel Johnson was drafted from private life by Governor Bricker to act as Ohio's director of aeronautics. In 1941 he helped organize the Civil Air Patrol and in April 1942 he became its national commander. Under his guiding genius the Civil Air Patrol performed vitally important war services while retaining its character as an organization of amateur volunteers. In 1942 when the submarines were sinking ships all along our coast the CAP carried on antisubmarine reconnaissance along the Atlantic and Gulf coasts which was extremely effective in keeping our

shipping lanes open. Since the war the CAP has performed many different missions and services, as well as furnishing preflight training for air cadets.

Only a man with the energy and resourcefulness and tact and ingenuity and force of Earle Johnson could have organized and directed the vast volunteer organization of the CAP in war and peace. He loved and understood flying, and people, young and old, and his country. He was only 52 when he died. His experience and his ability would have been invaluable to our Nation in the next few years. His death is a great loss to his family and friends and to his country. Our deep sympathy goes to his widow and his mother who survive him. His memory will be an inspiration to those who served with him and under him and to all who learn of his great character and his great work.

Mr. RAYBURN. Mr. Speaker, will the gentleman yield?

Mr. VORYS. I yield.

Mr. RAYBURN. I desire to say that I knew Colonel Johnson very well. I considered him as one of the men who had performed outstanding service for his country during the war as head of the Civil Air Patrol. With the gentleman from Ohio [Mr. Vorys] and others, I want to say how much I sympathize with those of his loved ones who are sad today in the loss of this great man.

Mr. CHENOWETH. Mr. Speaker, will the gentleman yield?

Mr. VORYS. I yield.

Mr. CHENOWETH. Mr. Speaker, I wish to join my colleagues in paying tribute to the memory of Col. Earle Johnson. I was greatly shocked when I learned of his tragic death. Aviation in this country suffered a heavy loss in his passing. For many years he had been recognized as one of the outstanding leaders in matters pertaining to aviation. He was an expert flyer himself, and was tireless in his leadership of the Civil Air Patrol. I first met Colonel Johnson several years ago and was immediately attracted by his charming personality. A visit with him was always a delightful and profitable experience. All who knew him have lost a true friend.

Mr. WEICHEL. Mr. Speaker, I want to join with my colleague from Ohio in expressing my sympathy on the tragic death of Col. Earle L. Johnson, National Commander of the Civil Air Patrol. It has been my privilege to know him down through the years, and he was one of the air pioneers who carried on during this war. He was a leader in the early days and gathered together those who wanted to serve for the air protection of our country.

The colonel was always gracious and held the affection and confidence of his men. He will long be remembered for his distinguished service to our country. My sympathy goes to his family and I know that they will be comforted by the affection and love of his many friends.

Mrs. BOLTON. Mr. Speaker, on Sunday last, Col. Earle L. Johnson lost his life in a yet unexplained plane crash. Those of us who knew him are certain that if he had time to think it would

have been for the two who were with him, not for himself.

For a quarter of a century or more, Colonel Johnson has been a leader in aviation in Ohio and in the Nation, serving as Ohio State Director of Aeronautics, and as director of the National Aeronautics Association. Upon the creation of the Civil Air Patrol he was made Ohio wing commander. At the time of his death he was head of the national patrol organization. His work won him the Legion of Merit.

Colonel Johnson had been recommended for the Distinguished Service Medal and his nomination as brigadier general had been sent to the Senate by the President, all of which attests to the fine service he has rendered his country.

Colonel Johnson was a man who took his responsibilities of citizenship seriously. He has been active in his community of Painesville, Ohio, and Lake County, having represented the county in the State legislature for 6 years, prior to serving the State of Ohio in several capacities.

To his family we extend our deepest sympathy. The Nation can ill afford to lose such a man.

Mr. VORYS. Mr. Speaker, I ask unanimous consent that all Members desiring to extend their remarks on the life and character of Colonel Johnson may be permitted to do so at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Ohio? There was no objection.

EXTENSION OF REMARKS

Mr. SMITH of Wisconsin asked and was given permission to extend his remarks in the Appendix of the RECORD and include a radio address by Fulton Lewis, Jr.

Mr. MARCANTONIO. Mr. Speaker, I ask unanimous consent to insert in the RECORD a short extension of remarks immediately following the last roll call.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

Mr. BOGGS of Louisiana asked and was given permission to extend his remarks in the Appendix of the RECORD and include a certain editorial comment.

SPECIAL ORDER

The SPEAKER. Under the previous order of the House, the gentleman from North Carolina [Mr. DEANE] is recognized for 25 minutes.

Mr. DEANE. Mr. Speaker, I ask unanimous consent to revise and extend my remarks and include therein certain tables and extraneous matter.

The SPEAKER. Is there objection to the request of the gentleman from North Carolina?

There was no objection.

AMERICAN HEALTH

Mr. DEANE. Mr. Speaker, during the next few minutes I would that we counsel together on the Nation's health.

Are you interested in the health of your family, your constituents, your State, and our great Nation? If you answer these questions in the affirma-

tive, then the observations I make today should command your attention, inspire you to make a careful and serious study into the health of the people in your own State, and thereafter join in an American crusade to restore health to the people of our great Nation.

SELECTIVE SERVICE REJECTS AS UNFIT FOR MILITARY SERVICE 5,000,000 PROUD YOUNG AMERICANS

On January 8, 1947, the distinguished and able gentleman from Illinois [Mr. DIRKSEN] spoke briefly before the House and inserted in the RECORD certain findings released by the Selective Service System which revealed the sad, yet true, fact that the health of the American youth had reached a new low. The details are so tragic that this Congress will stand indicted by this and succeeding generations if we fail to offer some remedies.

BASIC MATERIAL

The basic material used in presenting my opinions include medical statistics from the Selective Service System, hearings before the Committee on Education of the United States Senate in respect to the Hospital Construction Act, the Nation's Business of August 1946, releases from the American Hospital Association, findings of the North Carolina Medical Care Commission, not to mention the able counsel and advice of the Legislative Reference Service of the Library of Congress.

OVER-ALL DATA

During the war 5,000,000 young Americans were rejected as being physically unfit for military service. The record shows that of the 22,000,000 men between 18 and 32 registered for military service in World War II, 5,000,000 were deferred on essential occupational grounds. Of the 17,000,000 remaining, examination showed 5,000,000 physically unfit for armed service, this being a rejection percentage of 30.2 percent.

REJECTION PERCENTAGE RACIALLY

A break-down nationally between the races reveals that the ratio of rejection to those examined for Negroes was 53.4 percent and that of the whites 39.2 percent.

HEALTH BY STATES

Every Member of Congress is proud of his State and it is not my desire to embarrass my people of North Carolina or my colleagues from other States as I go a little further than did the gentleman from Illinois, Representative DIRKSEN, and spread upon the record some rather damaging testimony concerning the health of this Nation.

BIPARTISAN APPROACH

My observations today are indeed bipartisan and there must be no aisle separating our joint efforts in this common undertaking to restore good health to the people of our Nation. Since the health of those folks in my home State is of great concern to me, I shall begin by citing the North Carolina record.

In North Carolina out of 530,800 examined for military service—ages 17 through 18—by August 1, 1945, 227,600 were rejected. This is a rejection percentage of 42.9 per 100 men examined. Racially the percentage in North Caro-

80TH CONGRESS
1ST SESSION

H. R. 1968

IN THE SENATE OF THE UNITED STATES

FEBRUARY 19, 1947

Read twice and referred to the Committee on Appropriations

AN ACT

Making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1947, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, to supply urgent
5 deficiencies in certain appropriations for the fiscal year
6 ending June 30, 1947, and for other purposes, namely:

1 TITLE I—GENERAL APPROPRIATIONS

2 LEGISLATIVE

3 HOUSE OF REPRESENTATIVES

4 For payment to the widow of William J. Gallagher,
5 late a Representative from the State of Minnesota, \$10,000.

6 For payment to the widow of William B. Barry, late
7 a Representative from the State of New York, \$10,000.

8 For payment to the widow of Robert K. Henry, late
9 a Representative from the State of Wisconsin, \$10,000.

10 EXECUTIVE OFFICE OF THE PRESIDENT

11 OFFICE FOR EMERGENCY MANAGEMENT

12 OFFICE OF DEFENSE TRANSPORTATION

13 Salaries and expenses: For an additional amount, fiscal
14 year 1947, for "Salaries and expenses"; \$130,000.

15 INDEPENDENT OFFICES

16 VETERANS' ADMINISTRATION

17 Administration, medical, hospital, and domiciliary serv-
18 ices: For an additional amount, fiscal year 1947, for "Ad-
19 ministration, medical, hospital, and domiciliary services",
20 \$135,000,000: *Provided*, That the amount available to repair,
21 alter, improve, or provide facilities in the several hospitals
22 and homes under the jurisdiction of the Veterans' Adminis-
23 tration is increased to \$5,500,000; and the limitation on travel
24 expenses imposed by section 105 of the Independent Offices
25 Appropriation Act, 1947, is increased to \$8,043,000.

1 Military and naval insurance: For an additional amount,
 2 fiscal year 1947, for "Military and naval insurance",
 3 \$1,000,000, to remain available until expended.

4 Vocational rehabilitation revolving fund: To increase
 5 the "Vocational rehabilitation revolving fund (Act of March
 6 24, 1943)", created by the Urgent Deficiency Appropria-
 7 tion Act, 1943, \$200,000.

8 TREASURY DEPARTMENT

9 FISCAL SERVICE—BUREAU OF ACCOUNTS

10 Division of Disbursement, salaries and expenses: For an
 11 additional amount, fiscal year 1947, for "Division of Dis-
 12 bursement, salaries and expenses", \$3,000,000.

13 TITLE II—REDUCTIONS IN APPROPRIATIONS 14 AND AUTHORIZATIONS

15 Amounts available to the departments and agencies from
 16 appropriations and other funds are hereby reduced in the
 17 sums hereinafter set forth, such sums to be carried to the
 18 surplus fund and covered into the Treasury immediately
 19 upon the approval of this Act:

20 EXECUTIVE OFFICE OF THE PRESIDENT

21 Office for Emergency Management:

22 Office of Scientific Research and Development:

23 Working fund, Executive, Emergency Manage-
 24 ment (Office of Scientific Research and Develop-
 25 ment), 1942-1946, \$2,044,477.

1 Working fund, Executive, Emergency Manage-
2 ment (Office of Scientific Research and Develop-
3 ment), 1940-1946, \$160,744.

4 Working fund, Executive, Emergency Manage-
5 ment (Office of Scientific Research and Develop-
6 ment), 1945, \$6,688,979.

7 Office of Temporary Controls:

8 Salaries and expenses, Civilian Production
9 Administration functions, Office of Temporary
10 Controls, 1947, \$2,400,000: *Provided*, That the
11 Civilian Production Administration shall be discon-
12 tinued and its affairs placed in liquidation not later
13 than June 30, 1947.

14 Salaries and expenses, Office of Price Admin-
15 istration functions, Office of Temporary Controls,
16 1947, \$9,000,000.

17 Salaries and expenses, Office of War Mobiliza-
18 tion functions, Office of Temporary Controls,
19 1947, \$60,000.

20 FUNDS APPROPRIATED TO THE PRESIDENT

21 Emergency fund for the President, national defense,
22 1942-1947, \$2,500,000.

INDEPENDENT OFFICES

Atomic Energy Commission: Atomic energy, Executive (allotment to Atomic Energy Commission), 1942-1947, \$40,000,000.

Price Decontrol Board: Salaries and expenses, Price Decontrol Board, 1947, \$195,212.

United States Maritime Commission:

Construction fund, United States Maritime Commission, Act June 29, 1936, revolving fund, \$265,000,000, and the contract authorization under this head is hereby reduced in the sum of \$132,000,000.

Emergency ship construction fund, United States Maritime Commission, \$1,251,691, together with the unexpended balance: *Provided*, That hereafter the United States Maritime Commission construction fund shall be available for the payment of obligations previously incurred against the emergency ship construction fund.

Working fund, Maritime Commission (Navy Department), \$60,265,686.

Working fund, Maritime Commission (War Department), 1942-1945; working fund, Maritime Commis-

1 sion (War Department) , 1945; working fund, Maritime
2 Commission (War Department) , 1942-1946, \$834,845.

3 Working fund, United States Maritime Commission,
4 War Shipping Administration functions, December 31,
5 1946, \$358,679.

6 Working fund, United States Maritime Commis-
7 sion, War Shipping Administration functions, 1945,
8 \$270,006.

9 Veterans' Administration:

10 Adjusted service and dependent pay, Veterans' Ad-
11 ministration, \$71,631.

12 Military and naval compensation, Veterans' Ad-
13 ministration, \$16,693.29.

14 Military and naval family allowance, Veterans' Ad-
15 ministration, \$11,155.97.

16 Hospital facilities and services, Veterans' Adminis-
17 tration, \$8,469.39.

18 Vocational rehabilitation, Veterans' Administration,
19 \$6,441.71.

20 FEDERAL SECURITY AGENCY

21 Office of Education:

22 Working fund, Federal Security Agency, Office of
23 Education, 1946, \$2,600.

24 Working fund, Federal Security Agency, Office

1 of Education (advance from Veterans' Administration),
2 1947, \$41,800.

3 Public Health Service: Working fund, United States
4 Public Health Service, 1946, \$12,664.

5 Office of the Administrator:

6 Civilian war benefits, Federal Security Agency,
7 1947, \$18,000.

8 Civilian war assistance, Federal Security Agency,
9 1947, \$1,000,000.

10 FEDERAL WORKS AGENCY

11 Public Buildings Administration:

12 Social Security Board and Railroad Retirement
13 Board buildings, Washington, District of Columbia,
14 Public Buildings Administration, \$46,914.

15 War Department buildings, Washington, Dis-
16 trict of Columbia, Public Buildings Administration,
17 \$150,000.

18 Great plaza development, triangle, Washington,
19 District of Columbia, Public Buildings Administration,
20 \$7,250.

21 Emergency construction of public buildings, Public
22 Buildings Administration, act of June 19, 1934, \$5,955,
23 together with the unobligated balance as of June
24 30, 1947.

1 Emergency construction of public buildings, Public
2 Buildings Administration, Act of August 12, 1935,
3 \$5,755, together with the unobligated balance as of
4 June 30, 1947.

5 Emergency construction of public buildings, Public
6 Buildings Administration, Act of June 22, 1936,
7 \$11,661, together with the unobligated balance as of
8 June 30, 1947.

9 Federal office buildings numbered 2 and 3, in or
10 near the District of Columbia, Public Buildings Admin-
11 istration, unobligated balance, June 30, 1947.

12 Emergency safeguarding of public buildings and
13 property, Public Buildings Administration, \$10,000,
14 together with the unobligated balance as of June
15 30, 1947.

16 Working capital fund, Public Buildings Adminis-
17 tration, \$2,500.

18 Veterans' decentralization allowances, Public Build-
19 ings Administration, 1947-1948, \$40,000.

20 Materials testing laboratory and equipment, Na-
21 tional Bureau of Standards (transfer to Federal
22 Works Agency, Public Buildings Administration),
23 \$7,797.

Working fund, Federal Works Agency, Public Buildings Administration, \$126,445.

Working fund, Federal Works Agency, Public Buildings Administration, 1946, \$51,453.

Public Roads Administration:

Access roads, Public Roads Administration (national defense), \$1,897,030.

Strategic highway network, Public Roads Administration (national defense), \$278,158.

Flood relief, Missouri, Mississippi, Louisiana, and Arkansas, for restoration of roads and bridges, Public Roads Administration, unobligated balance, June 30, 1947.

NATIONAL HOUSING AGENCY

Federal Public Housing Authority:

National defense housing, temporary shelter, Office of Administrator, National Housing Agency (transfer to Federal Public Housing Authority), \$142,098.

War housing in and near the District of Columbia, Federal Public Housing Authority, \$85,469.

Construction fund, United States Maritime Commission, Act June 29, 1936 (transfer to National

1 Housing Agency, Federal Public Housing Authority),
2 \$574,096.

3 DEPARTMENT OF AGRICULTURE

4 Office of the Secretary:

5 Working fund, Agriculture, general, \$23,666.77.

6 Working fund, Agriculture, general, 1942-1946,
7 \$78,669.52.

8 Bureau of Agricultural Economics: Working fund, Agri-
9 culture, Bureau of Agricultural Economics, \$16.25.

10 Extension Service:

11 Working fund, Agriculture, Extension Service,
12 1941-1946, \$3,655.

13 Working fund, Agriculture, Extension Service
14 (special fund), \$475.76.

15 Agricultural Research Administration:

16 Office of the Administrator:

17 Removal and reestablishment of Arlington
18 Farm, Virginia (transfer to Agriculture), \$162,-
19 400.18.

20 Working fund, Agriculture, Agricultural Re-
21 search Administration, 1942-1946, \$34,813.89.

22 Working fund, Agriculture, Agricultural Re-
23 search Administration, 1946, \$48,000.

24 Bureau of Plant Industry, Soils, and Agricultural
25 Engineering: Rubber investigations, Bureau of Plant

1 Industry, Soils, and Agricultural Engineering, \$105.70.

2 Forest Service:

3 Working fund, Agriculture, Forest Service, 1942-
4 1946, \$51,465.66.

5 Working fund, Agriculture, Forest Service, 1946,
6 \$82,823.93.

7 Acquisition of lands, \$36.56.

8 Soil Conservation Service:

9 Working fund, Agriculture, Soil Conservation Serv-
10 ice, 1941-1946, \$128.

11 Working fund, Agriculture, Soil Conservation Serv-
12 ice, 1942-1946, \$26,069.

13 Production and Marketing Administration:

14 Conservation and use of agricultural land resources,
15 Department of Agriculture, 1946-1947, \$8,945,000.

16 Administration of Price Adjustment Act of 1938,
17 Department of Agriculture, \$85,638.

18 Exportation and domestic consumption of agricul-
19 tural commodities, Department of Agriculture (cotton
20 price adjustment), \$139,068.

21 Payments for agricultural adjustment, Department
22 of Agriculture, \$4,505.

23 Community facilities, defense public works, Office
24 of Administrator, Federal Works Agency (transfer to
25 Agriculture), \$11,895.

1 DEPARTMENT OF COMMERCE

2 Bureau of the Census:

3 Working fund, Commerce, Bureau of the Census,
4 1947, \$21,500.

5 Working fund, Commerce, Bureau of the Census,
6 1946, \$11,385.

7 Coast and Geodetic Survey:

8 Working fund, Commerce, Coast and Geodetic Sur-
9 vey, \$4,816.65.

10 Working fund, Commerce, Coast and Geodetic Sur-
11 vey, 1942-1946, \$8.11.

12 National Bureau of Standards:

13 Working fund, Commerce, Standards, 1942-1946,
14 \$12,335.69.

15 Working fund, Commerce, Standards, 1946,
16 \$84,345.

17 Working fund, Commerce, Standards, \$365.22.

18 Station for broadcasting standard frequencies,
19 National Bureau of Standards, \$1,000.

20 DEPARTMENT OF THE INTERIOR

21 Bureau of Indian Affairs:

22 Purchase of land for Navajo Indians, Arizona (re-
23 imbursable), \$308.02.

1 Construction, irrigation systems, Indian Service (re-
2 imbursable), \$9,865.90.

3 Construction, buildings and utilities, Indian Service,
4 \$131,407.71.

5 Support of Wisconsin Band of Potawatomie, Wis-
6 consin and Michigan (reimbursable), \$500.21.

7 Working fund, Interior, Indians, \$25,538.66.

8 Working fund, Department of the Interior, sub-
9 sistence, homestead project, \$2,092.97.

10 Bureau of Mines:

11 Reduction of zinc concentrates with methane gas,
12 Bureau of Mines (national defense), \$4,133.

13 Drainage tunnel, Leadville, Colorado, \$29,081.

14 Working fund, Interior, Mines (Office of Scientific
15 Research and Development), 1946, \$130,000.

16 Working fund, Interior, Mines, Army, Engineer
17 Service, 1942-1946, \$43,905.

18 National Park Service:

19 Roads and trails, national parks, emergency con-
20 struction, act of June 19, 1934, \$22.

21 Working fund, Interior, National Park Service (ad-
22 vance from War Department), \$14,000.

1 Government in the Territories: Emergency fund, Terri-
2 tories and island possessions (national defense), \$121,000.

3 DEPARTMENT OF JUSTICE

4 Federal Prison System:

5 Buildings and equipment, penal institutions,
6 \$865,000.

7 United States Industrial Reformatory, Chillicothe,
8 Ohio, construction, \$89.71.

9 United States Northeastern Penitentiary, Lewis-
10 burg, Pennsylvania, construction, \$1,636.78.

11 Public Works Administration, Act of 1938 (allot-
12 ment to Justice, prisons), \$1,702.52.

13 Federal jails, buildings, and equipment (Sand-
14 stone), \$370.35.

15 Working fund, Justice, prisons, \$149,729.70.

16 DEPARTMENT OF LABOR

17 Office of the Secretary:

18 Veterans' housing, Office of Administrator, National
19 Housing Agency (transfer to Labor), \$3,368.

20 Migration of workers, War Manpower functions,
21 Department of Labor, 1944, \$652,376.

22 Migration of workers, War Manpower functions,
23 Department of Labor, 1945, \$4,884.

24 Bureau of Labor Statistics: Working fund, Labor, Labor

1 Statistics (advance from National Housing Agency),
2 \$237.68.

3 National Wage Stabilization Board: Salaries and ex-
4 penses, National Wage Stabilization Board, Department of
5 Labor, 1947, \$1,191,900.

6 NAVY DEPARTMENT

7 Bureau of Supplies and Accounts:

8 Naval working fund, \$50,000,000.

9 Naval procurement fund, \$50,000,000.

10 Strategic and critical materials, Navy, \$94.

11 Reserve material, Navy, \$62,800.

12 Bureau of Yards and Docks:

13 Public works, Bureau of Yards and Docks, 1947,
14 \$15,108,514: *Provided*, That hereafter no obligations
15 shall be incurred against the contract authorization pro-
16 vided under this head prior to July 1, 1946.

17 Increase and replacement of naval vessels: Repair
18 facilities, Navy, \$4,000,000.

19 TREASURY DEPARTMENT

20 Bureau of Accounts: Emergency relief, liquidation fund,
21 \$1,000,000.

22 Bureau of Federal Supply: Working capital fund, dupli-
23 cating services, Procurement Division, \$1,483,480.02.

1 Coast Guard:

2 Acquisition of vessels and shore facilities, Coast
3 Guard, \$9,624,066.

4 Emergency construction, vessels and shore facilities,
5 Coast Guard, \$184,225.

6 Establishing and improving aids to navigation, Coast
7 Guard, \$59,279.

8 Special projects, aids to navigation, Coast Guard,
9 \$36,106.

10 Special projects, vessels, Coast Guard, \$37,470.

11 Special projects, aids to navigation, Lighthouse
12 Service, Coast Guard, \$3,937.

13 WAR DEPARTMENT

14 Military activities:

15 Expenses and losses financing war contracts,
16 \$15,000,000.

17 Acquisition of land, West Point, unexpended bal-
18 ance.

19 Acquisition of land, San Bernardino, Kern, and Los
20 Angeles Counties, California, unexpended balance.

21 Acquisition of land, Panama, Army, unexpended
22 balance.

23 Acquisition of land, Buchanan, Puerto Rico, unex-
24 pended balance.

1 Acquisition of land, act of June 20, 1940, unex-
2 pended balance.

3 Sites for military purposes, unexpended balance.

4 Construction of buildings, utilities, and appurte-
5 nances, military posts, \$17,567,069.

6 Buildings for United States representatives, Philip-
7 pine Islands, unexpended balance.

8 Emergency fund for the President, national defense
9 housing (allotment to War), unexpended balance.

10 Community facilities, defense public works, Office of
11 Administrator, Federal Works Agency (transfer to
12 War), \$221,855.

13 National defense housing, War maintenance, and so
14 forth, unexpended balance.

15 Emergency fund for the President, defense housing,
16 temporary shelter, War, Federal Public Housing Au-
17 thority, maintenance, unexpended balance.

18 National defense housing, War, Office of Adminis-
19 trator, Federal Works Agency, maintenance, and so
20 forth, unexpended balance.

21 Repair of arsenals, emergency construction, unex-
22 pended balance.

23 Seacoast defenses, general, \$130,619.

80TH CONGRESS
1ST Session

H. R. 1968

AN ACT

Making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1947, and for other purposes.

FEBRUARY 19, 1947

Read twice and referred to the Committee on
Appropriations

URGENT DEFICIENCY APPROPRIATION BILL FOR 1947

HEARINGS BEFORE THE SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS UNITED STATES SENATE EIGHTIETH CONGRESS FIRST SESSION

ON

H. R. 1968

AN ACT MAKING APPROPRIATIONS TO SUPPLY
URGENT DEFICIENCIES IN CERTAIN APPRO-
PRIATIONS FOR THE FISCAL YEAR
ENDING JUNE 30, 1947, AND
FOR OTHER PURPOSES

Printed for the use of the Committee on Appropriations



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URGENT DEFICIENCY APPROPRIATION BILL FOR 1947

TUESDAY, FEBRUARY 25, 1947

UNITED STATES SENATE,
SUBCOMMITTEE OF THE COMMITTEE ON APPROPRIATIONS,
Washington, D. C.

The subcommittee met, pursuant to notice, at 2 p. m., in the hearing room of the committee, the Capitol, Hon. Styles Bridges (chairman) presiding.

Present: Senators Bridges, Gurney, Brooks, Ferguson, Cordon, McKellar, Hayden, Tydings, and Russell.

Present also: Senators Hickenlooper and O'Mahoney.

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE OF TEMPORARY CONTROLS

STATEMENT OF MAJ. GEN. PHILIP B. FLEMING, TEMPORARY CONTROLS ADMINISTRATOR; ACCOMPANIED BY JAMES W. FOLLIN, ASSISTANT TEMPORARY CONTROLS ADMINISTRATOR; HAROLD STEIN, COMMISSIONER OF WAR MOBILIZATION AND RECONVERSION; JAMES N. W. McCLURE, BUDGET OFFICER, OFFICE OF WAR MOBILIZATION AND RECONVERSION; ERNEST E. HALL, EXECUTIVE OFFICER, OFFICE OF TEMPORARY CONTROLS; D. E. A. CAMERON, BUDGET OFFICER, OFFICE OF TEMPORARY CONTROLS; MAX McCULLOUGH, COMMISSIONER OF PRICE ADMINISTRATION; WILLIAM E. REMY, DEPUTY COMMISSIONER FOR ENFORCEMENT, OPA; AND H. V. LLEWELYN, BUDGET OFFICER, OPA

The CHAIRMAN. The hearing will come to order.

The first witness will be General Fleming, and the testimony will be on the Office of Price Administration first, General.

General FLEMING. I would like to cover the whole general picture, Mr. Chairman.

The CHAIRMAN. Very well.

Senator TYDINGS. Before the general does that, would you mind referring to the part of the bill to which the general is addressing himself? Is that on page 4?

Mr. SMITH. Page 4, lines 14 to 16.

Senator TYDINGS. All right.

General FLEMING. I have a statement that I have prepared and which I would like to make to clarify the whole thing.

The CHAIRMAN. How long will it take you?

General FLEMING. It will take about 23 minutes.

The CHAIRMAN. We would like to cover as much ground as we can and as quickly as we can. If you can cut it any, please do so. If not, it is all right.

General FLEMING. I would like to give the whole picture if I may.

The CHAIRMAN. All right.

EFFECT OF HOUSE ACTION ON PRESENT BILL

General FLEMING. If finally enacted in its present form, the urgent deficiency appropriation bill, H. R. 1938, which was passed by the House February 18, will in effect stop the enforcement of rent ceilings, stop the rationing of sugar, and result in the virtual abandonment of the veterans' emergency housing program. It will cause the curtailment of aids to industry through the distribution of tin, rubber, antimony, cinchona, and streptomycin and the control of the import and export of scarce materials and equipment. The audit of subsidy payments involving millions of dollars would have to be stopped. Seventy-five million in claims against price violators would be dropped without final action.

It does not appear from the action already taken on this bill that there is a full realization of its implications to veterans, wage earners, and the industry of our country and to the Federal Government itself. Rent control is legally in effect until June 30, and the President has recommended its extension beyond that date. The sugar supply is still so short as to require that rationing be continued in order to assure equitable distribution. Extension of legislative authority for this purpose has also been recommended by the President. The Patman Act, which provides for assistance to veterans' housing, continues in effect until December 31.

I cannot believe that it is the intent of Congress, by the proposed rescission of funds, to abrogate existing legislation in advance of the time when the new Congress shall have determined its policy on these matters. For instance, rent-control legislation is now under detailed study by the Senate Banking and Currency Committee, before which I appeared yesterday morning.

OFFICE OF PRICE ADMINISTRATION

RENT CONTROL

The most important considerations with respect to rent control are (1) whether it shall be continued and (2) how it should be administered. The general consensus of opinion seems to be that rent control ought to be continued, but there does seem to be some feeling that this can be done without OPA. I can assure you that rent control will be totally ineffective unless there is a well-managed adequately staffed organization to administer the law, whether it be OPA—a division of Office of Temporary Controls—or some other agency.

PERSONNEL REDUCTION IN OPA

Some opinions have been expressed that OPA is overstaffed and wasteful. I think we should take a look at the facts. On January 31, 1945, at the peak of the OPA program, there were 64,668 employees engaged on these programs. By October 15, 1946, this number had been reduced to 35,067 employees. Following the October and November decontrol actions, all of the price staff, three-fourths of the enforcement staff, one-half of the administrative and service staffs in the field and the national office—a total of 10,600 employees—were separated. In addition, 9,000 employees in 1,650 local price boards throughout the country were also separated from the service. A total of 19,600 employees were released between October 15 and December 31. During the month of January an additional 1,507 employees were released. Thus the OPA staff has been reduced from 64,668 on January 31, 1945, to 13,954 on January 31, 1947. This is a reduction of more than 78 percent.

Since the November decontrol action all of the property in the 1,650 local price boards throughout the country has been disposed of, all leases canceled, and all records disposed of or transferred for disposition. In addition, 64 district offices have been closed and their records and property disposed of or transferred for disposition.

OPA PLACED UNDER OFFICE OF TEMPORARY CONTROLS

The Office of Price Administration and its functions were placed under my jurisdiction on December 12, 1946. I immediately inaugurated further studies of the programs and administrative operations of the OPA. These studies have resulted in recommendations for consolidations and program modifications which will further reduce the staff without impairment to the programs authorized by the Congress. Before discussing these matters which affect the whole of the Office of Temporary Controls, I wish to review the legislative history of the 1947 fiscal-year appropriations for these OPA functions.

APPROPRIATION FOR OPA FOR 1947

The estimate submitted to the Congress provided \$142,200,000 for the full fiscal year 1947, exclusive of increased costs due to the Employees Pay Act. Congress appropriated \$101,000,000. The report of the House Appropriations Committee recognized that a supplemental appropriation request probably would be necessary during the fiscal year 1947. It specifically provided that obligations could be incurred at a rate not to exceed \$142,200,000 on an annual basis, excluding costs arising from the Federal Employees Pay Act and liquidation expenses.

The large-scale reduction in staff between October 15 and December 31, plus an additional 1,507 employees released in January, required that liquidation expense in the nature of lump-sum leave payments be made from current appropriations. Obligations for the payments were \$7,452,150 in December and \$939,200 in January.

Even though the original appropriation did not contemplate that increased cost arising from the Federal Employees Pay Act would be paid from the amount appropriated, nonetheless the agency has used approximately \$10,140,361 for this purpose. The leave payments alone greatly exceed the requested supplemental appropriation of \$5,950,000. Instead of approving the supplemental appropriation, H. R. 1968 would rescind \$9,000,000. The effect of such action is to reduce the agency's required funds by the sum of these two figures, or by \$14,950,000.

HOUSE ACTION WOULD STOP RENT AND SUGAR CONTROLS

This reduction in the agency's needed funds by \$14,950,000 will, for all practical purposes, stop rent control and sugar rationing. The disastrous effect of such an action can hardly be exaggerated. The more than 50,000,000 people living in rented accommodations might face immediate and indiscriminate increases in their rent bills. Nor would they have any protection from eviction save that provided by local or State laws.

The elimination of sugar rationing and sugar price control would place the 32,000,000 families of the country at a serious disadvantage in obtaining their fair share of the sugar supply. Further, thousands of small businesses would be unable to obtain sufficient sugar to continue their operations on a profitable basis.

INSUFFICIENT FUNDS TO PAY TERMINAL LEAVE OF EMPLOYEES

Even though immediate liquidation were undertaken, a rescission of \$9,000,000 would not leave sufficient funds to permit the agency to carry out its legal obligation with respect to payment of leave legally due remaining employees, records and property disposal, and meet the other liquidation expenses having to do with settlement of accounts, and so forth.

AUDIT OF SUBSIDY PAYMENTS

The liquidation of the functions of OPA, which would be necessary if H. R. 1968 becomes law, would cause the Government to lose millions of dollars in subsidy payments which are being saved as a result of audits made by the accounting staff. Savings to the Government so far have exceeded \$19,000,000, and further audits are expected to result in additional savings of \$7,500,000. The Government has claims against price violators amounting to more than \$75,000,000 at single damages—claims which cannot be perfected unless funds for such work are available.

FINANCIAL CONDITION OF OPA AS OF MARCH 1, 1947

The financial condition of the agency on March 1 will be as follows:

(The table referred to is as follows:)

	As recom- mended by the President	As provided in H. R. 1968
Original appropriation-----	\$101,000,000	\$101,000,000
Less obligations July 1, 1946, to Feb. 28, 1947-----	85,606,000	85,606,000
Balance available Mar. 1, 1947-----	15,394,000	15,394,000
Plus supplemental appropriation-----	5,950,000	-----
Less rescission in H. R. 1968-----	-----	9,000,000
Available for operations Mar. 1 to June 30, 1947-----	21,344,000	6,394,000
Less lump-sum leave payments:		
Normal separations-----	547,740	-----
Liquidation by June 30-----	-----	7,411,000
Available for operations Mar. 1 to June 30, based on President's recommendations-----	20,796,260	-----
Deficit based on H. R. 1968-----	-----	-1,017,000

General FLEMING. It ends up there with a net deficit at the present time of \$1,017,000.

The CHAIRMAN. On that particular point, you are referring to the deficit on March 1, which is only a couple of days away. Does that include the terminal leave?

General FLEMING. That is including the terminal leave we have to pay. That would be about \$7,411,000 terminal leave.

The CHAIRMAN. Roughly stated here, the House bill takes certain action denying you your appropriation and making a rescission of \$9,000,000 more, and this statement you are giving is in the light of the House bill?

General FLEMING. That is correct.

The CHAIRMAN. As it was passed by the House?

General FLEMING. That is correct.

AMOUNT INVOLVED IN TERMINAL-LEAVE PAYMENTS

The CHAIRMAN. And allowing the terminal leave, which amounts to how much?

General FLEMING. About \$7,400,000.

DEFICIT AS OF MARCH 1, 1947

The CHAIRMAN. Therefore, it would leave you on March 1, 2 days from today, a deficit of \$1,017,000?

General FLEMING. That is correct.

TERMINAL LEAVE COULD NOT BE PAID

Senator TYDINGS. That means they would not get it?

General FLEMING. Unless there was an appropriation.

Senator TYDINGS. We have said, "You are entitled to it, but we are not going to give it to you."

General FLEMING. That is correct.

It is obvious that the proposed rescission of \$9,000,000 will create a deficit for this fiscal year even though all program activities were promptly stopped and all remaining funds used for liquidation purposes.

JUSTIFICATION FOR SUPPLEMENTAL APPROPRIATION

Present appropriation balances are not sufficient to meet lump-sum leave payments and permit the continuance of effective rent control and sugar rationing to June 30, 1947. To continue rent control, sugar price control and rationing, to complete subsidy audits and carry on necessary litigation, and to continue effective enforcement action under the veterans' housing program, not only should there be no rescission but also a supplemental appropriation is absolutely essential.

In the absence of a supplemental appropriation, all programs would have to be immediately curtailed, and the reduction in force would be of such magnitude that programs would have to be stopped by March 15 and full liquidation undertaken unless Congress makes other provisions for lump-sum leave payments and other liquidation costs. If present funds are relieved of the obligation for accumulated leave payments and for liquidation expense, and are used only for operating expense, substantially the present organization can be maintained until about May 31. The supplemental appropriation requested would carry the organization from this point to the end of June.

At the present rate of obligations, including the proposed supplemental appropriation requested, the cost of operation of the OPA function is approximately 4 cents per person in the United States per month.

If sugar rationing and price control on sugar is stopped, it is not unreasonable to assume the price of sugar will increase to the price reached following the last war, or 30 cents per pound. The increase in cost of sugar on the basis of total consumption would amount to \$1.70 per person per month.

The average increase in rent is conservatively estimated to be \$7.50 per family per month if rent control is discontinued. This is based on an estimated increase of 25 percent on the average monthly rental of \$30.

In view of these substantial increases in the cost of living, if these programs are discontinued, isn't it worth while for Congress to authorize the expenditure of 4 cents per month per capita to save the consumer many times this amount?

CIVILIAN PRODUCTION ADMINISTRATION

Now, in respect to CPA, studies of programs and administrative operations of that organization were inaugurated by me in the same manner as for OPA. The organization as such has been placed in a liquidation status, and other organizational changes have been made

or are pending. These matters will be dealt with in more detail in discussing the over-all organization and functions of the Office of Temporary Controls. The following facts have to do with the functions of the Office of Temporary Controls being carried on by CPA and the effect the proposed \$2,400,000 rescission will have on these function.

EFFECT OF HOUSE ACTION

The CPA is responsible for the complete administration of the order requested by the Housing Expediter limiting nonessential and deferrable construction.

This order limits the use of building materials in nonhousing construction. Abandonment of this program would mean a sharp expansion in nonhousing construction at the expense of veterans' housing.

CPA is assisting industry in increasing the production of scarce building materials.

Through selective use of priorities and allocations, and through informal assistance, the Civilian Production Administration has facilitated the expanded production of scarce building materials. This activity should be continued until supplies of the scarce items are adequate.

CPA is distributing to industry a few basic materials which continue in short world supply.

Through priorities and allocations, available supplies of imported materials, such as tin and rubber, are distributed to essential uses. Similarly scarce items such as crawler and farm tractors are reserved for domestic use by limiting export.

CPA has been carrying out the responsibilities imposed under section 17 of the Contract Settlement Act of 1944, the Tax Amortization Act, and the requisitioning acts.

Curtailement of this work will impede the Government defense and impair its position on claims which are being filed currently as well as those already in hand. There are now in preparation defenses on some 117 claims which run into \$13,800,000.

CPA is preparing a summary of industrial mobilization during World War II which can be used in any future emergency to avoid costly mistakes of the past.

RESCISSION RECOMMENDED BY THE PRESIDENT

To carry out its authorized functions, the CPA requires \$16,800,000 of the \$18,000,000 annual budget originally appropriated to it. This makes possible a rescission of \$1,200,000, which the President recommended to the Congress.

This voluntary reduction would have left a balance of \$3,485,000 available for program operations for the 3 months' period April 1 to June 30.

RESULT OF HOUSE RESCISSION

However, the House has voted a rescission of \$2,400,000, or a further cut of \$1,200,000, as well as requiring that CPA be placed in liquidation not later than June 30. The net result of this further rescission is to reduce the available funds for the fourth quarter to \$2,285,000. In addition, the requirement for liquidation means that

lump-sum leave for separated employees in the amount of \$1,466,000 must be obligated. If this obligation is to be met from the current appropriation, then only \$819,000 is available for program operations and liquidation expense from April 1 to June 30, as shown in the following table:

(The table is as follows:)

Comparative statement of fund balances in the appropriation of the Civilian Production Administration

	As recommended by the President	As provided in H. R. 1968
Original appropriation.....	\$18,000,000	\$18,000,000
Less obligations July 1 to Dec. 31, 1946.....	9,010,507	9,010,507
Balance available Jan. 1, 1947.....	8,989,493	8,989,493
Less rescissions recommended.....	1,200,000	2,400,000
Balance after rescissions.....	7,789,493	6,589,493
Less estimated obligations Jan. 1 to Mar. 31, 1947.....	4,305,000	4,305,000
Balance available for operations Apr. 1 to June 30, 1947.....	3,484,493	2,284,493
Less lump-sum leave:		
Normal separations.....	162,000	
Necessary if liquidation by June 30.....		1,465,500
Net balance for operation Apr. 1 to June 30.....	3,322,493	818,993

Obviously a reduction in operating funds from \$3,485,000 to \$819,000 and the consequent reduction in personnel would make it necessary to restrict CPA operations during this period to liquidation and limited nonhousing functions. Accordingly, support to the veterans' emergency housing program would have to be terminated by the Office of Temporary Controls on March 31, 1947.

ORIGIN OF OFFICE OF TEMPORARY CONTROLS

As previously explained, the Office of Temporary Controls was created on December 12, 1946, under Executive Order 9809. Inasmuch as this was understood to be a temporary organization created for the purpose of administering the temporary controls which were necessary to be continued during the year, I was hesitant to undertake any major reorganizations until fully informed as to the functions of the constituent units brought into the Office of Temporary Controls and convinced of the economy of any such consolidation.

LIQUIDATION OF CPA ACTIVITIES

Upon the recommendation of Mr. John Houston, the Commissioner of the Civilian Production Administration, I issued on January 21, 1947, an administrative order placing the Civilian Production Administration in a liquidation status. Under the provisions of this administrative order, the Civilian Production Administration is to be liquidated as rapidly as recommendations are made by the Commissioner that programs may be discontinued. The order further provided that complete liquidation of programs should be accomplished by December 31.

A study of the premium price payments for copper, lead, and zinc led to the issuance of an administrative order consolidating these organizational units of OPA and CPA into a single Office of Premium Price Plan. This organizational unit, consolidated from OPA and CPA, was placed in the Office of War Mobilization and Reconversion for administrative direction and supervision. This consolidation will result in cleaning up a backlog of work, following which there will be a reduction in personnel and consequent administrative costs.

LIQUIDATION OF OFFICE OF WAR MOBILIZATION AND RECONVERSION

On February 3 a further administrative order was issued placing the Office of War Mobilization and Reconversion in a state of liquidation. This order provides that the Commissioner shall complete the liquidation of all program activities by June 30, 1947.

POLICY OF DISCONTINUING CONTROLS

The President has recommended that certain controls be continued until the supply of scarce material is adequate to permit a return to a free economy without doing serious injury to small business, to veterans, and to wage earners. In keeping with the policy of discontinuance of controls on an orderly basis, the CPA since December 12, 1946, the date on which the OTC was established, has rescinded 16 orders and directions, including consumers business inventories, limitations on men's clothing, and control of the use of lead. It has also adjusted administration of the order which limits nonhousing building construction.

In like manner, the OPA has since December 12, 1946, made the following relaxations in the administration of the control functions carried on by that agency:

RELAXATION OF RENT CONTROL

Rent: (a) An amendment was issued, effective February 15, decontrolling transient rooms in hotels and motor courts.

(b) Instructions have been issued which liberalize the interpretation of "peculiar circumstances" in the consideration of applications for rent increases. Adjustments in these cases may also be made up to the level of comparability. The interpretation of "hardship" in connection with applications for rent increases has also been liberalized.

SUGAR PROGRAM

Sugar: (a) Arrangements have been worked out for a sugar allocation for the second quarter of 1947 to provide for the granting of hardship adjustments to industrial users who expanded their manufacturing facilities to supply the Army, Navy, and other so-called exempted agencies during the war.

(b) Plans have been developed for the validation of a 10-pound sugar stamp on April 1, which will result in the saving of several million dollars which would be entailed in the issuance of new ration currency.

(c) The supply of sugar available to the United States has permitted a liberalization of the ration, effective with the second quarter of 1947.

I think the record is clear that the OTC clearly understands that it will continue its operations only so long as is absolutely essential and that control functions carried over from the war should be dropped as rapidly as possible. To this course we are planning our organization and administrative operations.

CONSOLIDATION OF OWMR, OPA, AND CPA

I have directed the moving and consolidation into temporary quarters of the OWMR, the OPA, and the CPA. We have already moved the OWMR from rented quarters and space in the Lafayette Building to space in Temporary Building K on the Mall near Seventeenth Street. As rapidly as the space in these temporary buildings is released by the Navy, OPA and the CPA will be moved into adjacent space. As these moves are made, administrative consolidations will be made which will result in economies of operation.

Also I have requested the Public Buildings Administration to arrange for the consolidation of field activities of OPA and CPA wherever this can be accomplished with reduction in cost of operations. As these physical consolidations are made in the field, similar administrative consolidations can be accomplished which will result in further reduction in administrative costs.

Also, it is my intention, if responsibility for rent control, sugar rationing, and aids to production and housing continue to be vested in OTC, to reorganize all existing agencies into a compact single organization from which units can be readily detached as their functions cease.

LIQUIDATION OF OFFICE OF TEMPORARY CONTROLS

It is my purpose to carry out liquidation of OTC as rapidly as possible. It should not be done any faster than the few remaining controls can be safely lifted. The administration feels that these remaining controls should be continued beyond existing legislative terminations. Hence these important policy determinations are now before the Congress. One of these is policy on rent control after June 30. I question if you want to jeopardize rent control by the action proposed in H. R. 1968 before the Senate Banking and Currency Committee makes its report.

REQUEST OPA RESCISSION BE CANCELLED AND SUPPLEMENTAL ESTIMATE APPROVED

Accordingly, I strongly urge this committee to recommend to the Senate the cancellation of the rescission of \$9,000,000 in the appropriation of the OPA, and in lieu thereof approve a supplemental estimate which will permit the carrying out of such rent-control and sugar-rationing programs as the Congress may determine, and at the same time permit the completion of the audit of subsidy payments and the handling of liquidation which is pending.

It has been determined not to fill all of the positions provided in the \$5,950,000 supplemental estimate for sales control of veterans' housing. This will result in a savings of \$660,000. The required supplemental appropriation is therefore \$5,290,000 instead of \$5,950,000.

RECOMMEND CPA RESCISSION BE REDUCED

I also strongly recommend that this committee amend the House action by reducing the rescissions of the CPA from \$2,400,000 to \$1,200,000. By so doing you will assure continuance of assistance to veterans' housing through June 30 and such aids to industry as are essential with regard to critical materials and control of imports and exports on certain specified items. It will also permit the CPA to settle claims against the Government.

OFFICE OF WAR MOBILIZATION AND RECONVERSION

Regarding the rescission of \$60,000 from the Office of War Mobilization and Reconversion, I find that we can operate within the reduced amount, but request your favorable consideration of an amendment which will rescind the proper amounts from the appropriations from which they were offered, that is, \$40,000 from "Salaries and expenses, Office of Economic Stabilization," and \$16,000 from "Salaries and expenses, guaranteed annual wage plans."

The CHAIRMAN. General Fleming, taking up the Office of Price Administration first—

General FLEMING. Mr. Chairman, I wonder if we might take up War Mobilization and Reconversion first.

Mr. Stein is here and can cover that briefly.

The CHAIRMAN. Very well, Mr. Stein.

Mr. STEIN. Mr. Chairman, as you will notice, no change is requested in the amount of the rescission. The rescission language, however, is ambiguous to proper accounting. This amendment reflects the way, I am sure, the House committee intended it.

FUNCTIONS OF OWMR

The CHAIRMAN. Mr. Stein, will you review briefly the work of the Office of War Mobilization and Reconversion?

Mr. STEIN. I will be glad to do so. I did not know whether you thought it was really worth while for this amount of money.

The CHAIRMAN. All right, just devote a minute to it.

Mr. STEIN. The Office of War Mobilization and Reconversion is an organization that was originally set up by Executive order and later as a statutory agency by legislation which expires on June 30.

Part of the functions under the order General Fleming referred to were transferred to the President and the balance transferred to the Office of Temporary Controls.

Similar to that transfer, all the residual functions of the Office of Economic Stabilization were transferred to the Office of Temporary Controls.

There are three appropriation accounts that are involved in the small matter in question, including a special appropriation made

by Congress for the guaranteed annual wage studies to be conducted by the Office of War Mobilization and Reconversion.

That study is now complete. The Advisory Committee is meeting at this very moment, preparing its final transmittal to the President.

There are two people left on the pay roll, and they will be out in about a month.

The request I am making is \$16,000 of the \$60,000 rescission voted by the House to apply to the guaranteed annual wage studies appropriation, and that \$44,000 come out of the Office of Economic Stabilization appropriation account. The Office of Economic Stabilization and the Office of War Mobilization and Reconversion are run as a unit, and as a bookkeeping matter it is a much cleaner proposition if it comes from that one account rather than both.

The CHAIRMAN. Any questions for Mr. Stein? [No response.]

Thank you.

OFFICE OF PRICE ADMINISTRATION

Now, General, let us take up the Office of Price Administration first and take the Civilian Production Administration after that. As I understand the testimony you have given here, if the House appropriation bill stands, that in effect you will be out of money in 2 days.

General FLEMING. We are out of money right now if that takes effect.

The CHAIRMAN. Are you aware of the various proposed legislative measures up here to transfer rent control to another department and to transfer sugar rationing to some other agency? Have you taken that into consideration or are you going on the assumption you are going to continue to handle it?

General FLEMING. That is my present responsibility, so I am going on the assumption we will handle it.

I have seen copies of various bills, and I have been before the Senate Committee on Banking and Currency on two rather long hearings. I am familiar with the things they have in mind.

TERMINAL-LEAVE OBLIGATIONS

The CHAIRMAN. At any rate the terminal-leave obligations to your staff are sufficiently binding so that there can be no alternative but for the Government to fulfill them; is that correct?

General FLEMING. That is my understanding of the law.

REDUCTION IN OPA PERSONNEL

The CHAIRMAN. Have you reduced the personnel of the OPA, not only here in Washington but over the country, to the minimum you consider necessary to carry on your duties?

General FLEMING. If the OPA and CPA are to continue in existence for some time ahead, I think I can, by consolidating, reduce the number of people both here in Washington and in the field.

TOTAL OPA PERSONNEL AT PRESENT TIME

The CHAIRMAN. How many people do you have on the OPA rolls in Washington and how many do you have in the field?

General FLEMING. I will ask Mr. McCullough to give you those figures.

Mr. McCULLOUGH. On the 1st of February the number in Washington was 1,526, and in the field 12,428, or a total of 13,954.

Senator McKELLAR. Twelve thousand and what?

Mr. McCULLOUGH. Twelve thousand four hundred and twenty-eight in the field—or a total of 13,954.

The CHAIRMAN. How are they divided? What percentage are doing rent control and what percentage sugar control or some other duty?

Mr. McCULLOUGH. The largest part of the staff is engaged in rent control, or enforcement of administrative activities that implement the rent-control program.

The staff is divided about two-thirds for that program and one-third for rationing, and all of the positions are allocated to one function or the other.

REGIONAL AND STATE OFFICES

The CHAIRMAN. Do you have State offices now in addition to your Washington office or do you style them regional offices?

Mr. McCULLOUGH. Eight regional offices and a small staff for the Territories; yes.

The CHAIRMAN. What justification can you give for continuing regional offices?

It is plainly evident you have to have a national headquarters and State offices, but what justification can you give for regional offices? How many people are employed in them?

Mr. McCULLOUGH. Mr. Chairman, we do not have State offices, as such. We have a number of branch offices which are actually extensions of the regional offices.

The CHAIRMAN. Do you not have in each State, a State office?

Mr. McCULLOUGH. We have at least one office in each State. That is a branch of the regional office.

The CHAIRMAN. It is not independent?

Mr. McCULLOUGH. No, sir. We abolished the 64 district offices after price decontrol, in order to save a maximum amount of overhead costs and we established instead some 54 branch offices for sugar rationing, in 22 of which we also have an enforcement staff, so if further consolidation is necessary, we believe the more practicable manner of doing it would be to eliminate a number of branch offices and contract it to eight regional offices.

The CHAIRMAN. Would you bypass the various State offices which you call branch offices?

Mr. McCULLOUGH. We would if it became necessary.

The CHAIRMAN. I have always felt regional offices were sort of a duplication, and we should get along with a national office and State offices.

Mr. McCULLOUGH. In some cases I am sure that is the truth. We have, however, in the country, something more than 300 area rent offices and these offices report to the regional offices. We have found we could do a far more effective and economical job by supervising those offices and sugar rationing through a small number of regional offices.

REDUCTION IN PERSONNEL WITHOUT IMPAIRING EFFICIENCY

The CHAIRMAN. Of the employees you have now, how many do you think can be eliminated without impairing efficiency?

We are looking for economy here, but how many can you really cut and do this job?

Mr. McCULLOUGH. Mr. Chairman, as General Fleming told you in his statement, the cut that we have already made following price de-control and reduction in staff which has continued in substantial numbers through the month of January and through the month of February has brought our staff down to the point where we have only 43 percent. We are spending only 43 percent of the amount of money we spent in the month of October last.

I believe that the only manner in which a substantial reduction can be made in the number of employees, whether it is operated as OPA or by some other agency, would be through the dropping of programs, that is, through the dropping of sugar rationing, or through the discontinuance of rent control in a certain number of areas in the country.

FUNDS NEEDED TO FUNCTION UNTIL MARCH 31, APRIL 30, AND MAY 31

The CHAIRMAN. Now, will you figure out and either tell us now, or figure out and present to this committee later for the record how much more money it would take you to carry on and fulfill your obligation on terminal leave if you run until March 31, April 30, and May 31. We have your figure for June 30. With this information we will be able to judge the situation better and better determine the amount of money it would take to fulfill the terminal-leave obligations and carry on your duties to these stated dates.

Mr. McCULLOUGH. Senator, may I be sure I understand the question.

Would you like for us to assume, for example, that we would continue the operation as it now exists, with the same number of area offices and the other obligations that we have?

The CHAIRMAN. If you cannot cut. I think you might be able to cut some more, but if you would give us the figure—we know what the House has done, and you say that puts you out of business, virtually, as of today—we could better judge the appropriations requirements.

We still have rent control and sugar rationing and rice control.

Mr. McCULLOUGH. We have rice price control.

The CHAIRMAN. You stated the cost to June 30. The House has terminated you now, or approximately at this period.

What I want to find out is what would be the figure which would carry you to March 31, to April 30, and May 31, so when we come to make this decision in committee we will have not only the knowledge of the House action, with reference to the full year's requirements, but what funds would be necessary should your activities cease at one of the intermediate dates.

Mr. McCULLOUGH. We will be glad to supply that to the committee, Mr. Chairman.

In the assumption that goes to June 30, would you wish that we give you the information relative to the liquidation costs which would then follow in the next fiscal year?

The CHAIRMAN. We would like in any case, the terminal-leave obligations along with the liquidation costs.

Mr. McCULLOUGH. Yes, sir.

(The information requested appears on p. 92.)

The CHAIRMAN. Now, gentlemen, any questions?

DECONTROL OF TRANSIENT RATES IN HOTELS AND MOTOR COURTS

Senator BROOKS. Mr. McCullough, according to the statement of General Fleming, you have continued several things, and an amendment was issued effective February 15, decontrolling transient-hotel rooms and motor courts.

Why is it that you have been so long arriving at the decision to make these changes?

Mr. McCULLOUGH. With respect to the first change, that of decontrol of transient rates in hotels and motor courts, the vacancy situation there up until a very recent date was very similar to that in the housing field generally, that the hotel situation was extremely tight. There were large numbers of servicemen and people engaged in essential activities, and it was considered the housing provided by hotels and motor courts formed a part of the housing of the country.

Beginning sometime last year, that trend has changed. It has changed unevenly over the country. In some cities the hotel situation is still tight and in some vacancies have increased to where an increasing number of hotels have found vacancies a serious problem.

General FLEMING. This matter of hotel transient rooms was taken up with my predecessor, Mr. Porter, when he was Administrator of OPA, and I think he was convinced there was some justification for taking off restrictions on transient rooms and hotels, and he wanted to leave it to his successor.

Senator BROOKS. As a matter of fact, Mr. Porter did not take much action of any kind just before he left. I think that was because of the peculiar circumstances.

General FLEMING. That only went into effect on the 15th of February. We have had about 10,000 people since the 15th come to our various rent offices to get changes in their rents, and about 10,000 have taken the forms we have and about 300 have submitted them.

MEMORANDUMS TO REGIONS ON RELAXATION OF RENT CONTROLS

Senator FERGUSON. Do you have copies of those?

Mr. McCULLOUGH. Of the forms?

Senator FERGUSON. No. Instructions to your offices what the standard is.

Mr. McCULLOUGH. We will be glad to supply that, Senator.
(The requested material is as follows:)

OFFICE OF TEMPORARY CONTROLS,
OFFICE OF PRICE ADMINISTRATION,
January 17, 1947.

Memorandum.

To: All regional rent executives, regional rent attorneys, area rent directors, and area rent attorneys.

From: Ivan D. Carson, Deputy Commissioner for Rent; Eugene Swigart, Associate General Counsel for Rent.

Subject: Revision of rent memorandum 5 (a) (11)-II. Adjustments for peculiar circumstances.

Following this memorandum is a revision of rent memorandum 5 (a) (11)-II, paragraph I-(1). The latter memorandum itself is being changed in no other particular but we trust that the broadened language will, as it is meant to do, reorient our policy toward adjustments under this section of the regulation. The majority of areas have been under control now for more than 4 years and the difficulties of proof under section 5 (a) (11) are of necessity increased with the passage of time. All of you are aware of some particular rents in your area which are significantly under comparable rents in the community but which are not subject to adjustment under a restrictive interpretation of section 5 (a) (11). You will be hereafter authorized to adjust these rents without supporting proof if any reasonable explanation is given which would indicate that elements other than that of normal bargaining for economic advantage affected the rent on the maximum rent date. A broad approach should be taken to this question. We believe that consideration can be given to cases where because of age or inexperience the landlord accepted rents which are manifestly out of line with other rents in the community and likewise to cases, particularly those of single-family units, in which there are indications of pressures which made a reasonable test of the market difficult, if not impossible. Included in these cases would be renting by military personnel called to service or where the landlord was under the necessity of immediate moving to another locality which required more than usual expedition in securing a tenant. These suggested cases should not be construed as a limitation on other possible situations in which the landlord has a reasonable explanation of the low maximum rent on the premises. There have doubtless been a number of cases in which petitions were filed under section 5 (a) (11) in the past and denied by you under the more restrictive approach to 5 (a) (11) in force until this date. Where area rent directors know of such cases or have records of them, we suggest that they call in the landlord and discuss with him the possibility of refiling his petition.

REVISION OF PARAGRAPH 1-(1) OF RENT MEMORANDUM 5 (A) (11)-II

1. *Substantiality of the variation from comparability.*—The extent of the variation from comparability is significant evidence, both on the issue of peculiar circumstances and on the question whether the peculiar circumstances caused the low rent. It is quite proper to require less evidence on these issues where the variation is patently substantial than is required where the variation from comparability is less extreme because such variation in itself is evidence that the rental agreement was not the result of normal bargaining between the landlord and tenant. Where the rent, therefore, on the date determining the maximum rent is materially lower than the rent for comparable accommodations in the area on the maximum rent date there is a strong presumption that it was established under peculiar circumstances. In this type of case proof of the circumstances surrounding the execution of the rental agreement in effect on the date determining the maximum rent need not be substantiated by conclusive supporting evidence.

OFFICE OF TEMPORARY CONTROLS,
OFFICE OF PRICE ADMINISTRATION,
Washington 25, D. C., February 6, 1947.

Memorandum.

To: All regional rent executives, regional rent attorneys, area rent directors, an area rent attorneys.

From: Tom Tippet, Director of Operations.

Subject: Amendment 110 to the housing regulation.

Following is amendment 110 to the housing regulation which will be issued February 7, 1947, to become effective February 15, 1947:

Section 5 (a) (12) of the rent regulation for housing is amended in the following respects:

1. The first paragraph of section 5 (a) (12) is amended to read as follows:
“(12) *Substantial hardship from increase in property taxes or costs.*— Substantial hardship has resulted from a decrease in the net income (before interest) of the property for the current year as compared with a prior representative period, due to an unavoidable increase in property taxes or operating costs.”

2. The third unnumbered paragraph of section 5 (a) (12) is eliminated.

3. The present fourth unnumbered paragraph of section 5 (a) (12) is amended by adding the following subparagraph (vi):

“(vi) ‘Prior representative period’ means any period of two consecutive years prior to the ‘current year’ but not beginning before January 1, 1939, which the Administrator finds to be representative of the property’s normal operation: *Provided, however,* That where a representative period of two consecutive years is not available the Administrator in his discretion may for the purposes of this section accept a representative period of not less than one year.”

4. The last unnumbered paragraph of section 5 (a) (12) is eliminated.

5. The sixth unnumbered paragraph of section 5 is amended to read as follows:

“In cases under paragraph (a) (12) of this section, the adjustment in the maximum rent shall be in the amount necessary to relieve the substantial hardship which shall be the lesser of the following two amounts: the decrease in net income (before interest) or the increase in property taxes or operating costs; *Provided,* That the adjustment shall not result in a maximum rent higher than the rent generally prevailing in the defense-rental area for comparable housing accommodations on the maximum rent date.”

No similar amendment is being made to section 5 (a) (9) of the hotel regulation. Therefore, no new forms are now needed for substantial hardship petitions where the property concerned is subject to the hotel regulation, and the present petition Form D-58 and accompanying instruction Form D-60 shall be used as heretofore. However, the two new Forms D-58A (petition) and D-60A (instruction) shall be used only in those cases in which the accommodations concerned are subject to the housing regulation. These new Forms D-58A and D-60A are now in the printing process.

The National Office will make the original distribution of Forms D-58A and D-60A direct to the area offices prior to February 15, 1947, so that they may be put into use on and after that date. Additional requests from area offices for these forms should be made to the regional office in the same manner as they now request all other forms.

Since you will not receive Forms D-58A and D-60A until about the time the above amendment becomes effective, this memorandum will advise you wherein Forms D-58A and D-60A differ from Forms D-58 and D-60. The major changes effective in Forms D-58A and D-60A, and the sections of Form D-58 and D-60 which were changed, are as follows:

NEW OPA FORM D-58A

To be used only if accommodations are subject to the housing regulation

Page 1. Petitioner’s statement: “Substantial hardship has resulted from a decrease in net income (before interest) of the property for the current year as compared with the representative base

PRESENT OPA FORM D-58

To be used only if accommodations are subject to the hotel regulation

Page 1, petitioner’s statement: “Substantial hardship has resulted from a substantial decrease in the net income (before interest) of the property for the current year as compared with a repre-

NEW OPA FORM D-58A

To be used only if accommodations are subject to the housing regulation

period due to an unavoidable increase in property taxes or operation costs."

Page 1, Base and current years used, item A: "Two base years—In the 'Statement of income and expense' on page 2 of this form, the two base years may be any two consecutive years since January 1, 1939, and prior to the 'current year' which are representative of the property's normal operation. The two base years must be calendar years unless you keep your records on a fiscal-year basis. If you show fiscal years in columns (b) and (c) on page 2, state the ending date of your fiscal year."

Page 2, statement of income and expense: Item C, heading above columns (b) and (c): "Two base years."

Page 4, monthly income, pay roll, and employment: "Landlords filing petitions under section 5 (a) (12) of the housing regulation are not required to give information on the monthly income (column (b) below)."

Page 4, certification: "I certify that the information contained in this petition is true and correct."

NEW OPA FORM D-60A

Instructions for OPA Form D-58A

Page 1, base and current years used: "The 'current year' in all cases must begin on or after the maximum rent date, and must be the most recent full calendar or fiscal year or any 12-month period ending not more than 90 days prior to the filing of the petition. If an allowance is requested for an increase of property taxes or pay roll not fully reflected in the 'current year' se-

PRESENT OPA FORM D-58

To be used only if accommodations are subject to the hotel regulation

sentative period prior to the maximum rent date, due to a substantial and unavoidable increase in property taxes or operating costs."

Page 1, base and current years used, item A: "Base years—In the 'Statement of income and expense' on page 2 of this form, the 'two years prior to the maximum rent' must be calendar years unless you keep your records on a fiscal-year basis. If you show fiscal years in columns (b) and (c) on page 2, state the ending date of your fiscal year."

Page 2, statement of income and expense: Item C, heading above columns (b) and (c): "Two years prior to maximum rent date."

Page 4, monthly income, pay roll, and employment: "Landlords filing petitions under section 5 (a) (12) of the housing regulation are not required to give information on the monthly income (column (b) below). Petitioners under section 5 (a) (9) of the hotel and rooming house regulation must furnish the total monthly income for each of the months in the current year and the test month in addition to the other information."

Page 4, certification: "I certify that the information contained in this petition is true and correct and that the pay roll as reported in this form contains no wage or salary increases which have not been approved by the appropriate wage or salary stabilization agency in accordance with Executive Order 9697 effective February 14, 1946, and the regulations issued by the Office of Economic Stabilization pursuant thereto unless approval is not required by the order or regulations."

PRESENT OPA FORM D-60

Instructions for OPA Form D-58

Page 1, base and current years used: "If your maximum rent date falls in 1941, the '2 years prior to the maximum rent date' will be the calendar years 1939 and 1940 unless you keep your records on a fiscal-year basis. Similarly, if your maximum rent date falls in 1942, the years will be 1940 and 1941, and if your maximum rent date falls in 1943, the years will be 1941 and 1942."

NEW OPA FORM D-60A

PRESENT OPA FORM D-60

Instructions for OPA Form D-58A

Instructions for OPA Form D-58

lected, at least one calendar month must have passed between the end of the 'current year' and the beginning of the month in which the petition was filed. The base period may be any two consecutive years between January 1, 1939, and the beginning of the 'current year.' Such base period should be representative of normal operations for the property concerned in the petition."

Page 2 statement of incoming expense, third unnumbered paragraph: "If any years intervene between the 'base period' and the 'current year' you may file annual statements of income and expense for such intervening years in addition to the required 'base period' and 'current year' information. Where expenditures made in such intervening years are properly allocable in part to the 'current year' this fact should be clearly indicated."

There will be a number of minor changes made in Forms D-58, D-60, D-58A, and D-60A which are not substantive and for this reason are not indicated above. For example, Forms D-58 and D-60 may state that Form D-58 will be filed only if the accommodations are subject to the hotel regulation. Forms D-58A and D-60A will be used only if the property is subject to the housing regulations. One or two headings in each of the forms may be changed, and Forms D-58A and D-60A will carry a Bureau of Budget number different from the number on Form D-58 and D60, etc.

If, on and after February 15, a landlord has a petition pending for an increase pursuant to section 5 (a) (12) of the housing regulation, he may request and should be permitted to withdraw his petition and file a new petition pursuant to 5 (a) (12), as amended, if he would benefit therefrom.

Mr. Ivan D. Carson's memorandum of January 31, 1947, "Use of comparability in hardship adjustments," is not a part of amendment 110 to the housing regulation, but the instructions therein are to be followed in all cases processed after that date, including all cases filed and processed pursuant to amendment 110.

TEMPORARY INSTRUCTIONS FOR PROCESSING FORMS D-58 AND D-58A IN AREA OFFICES

Incomplete petitions

All petitions filed on Form D-58 and D-58A which are unsigned, not received in duplicate, or omit an essential fact called for on the form itself, shall be considered procedurally defective and shall be returned to the petitioner with a letter of transmittal (Form D-27) properly filled out. These petitions should not be docketed. The original copy of Form D-27 shall be retained by the area office to serve as a record of the action taken.

Referring copies of Forms D-58 and D-58A to the accountants

A copy of all complete petitions filed on Form D-58 pursuant to section 5 (a) (9) of the hotel regulation shall, after docketing, be forwarded to the accountants for an analysis and report.

A copy of all complete petitions filed on Form D-58A pursuant to section 5 (a) (12) of the housing regulation, and which involve a property consisting of more than four dwelling units, shall, immediately after docketing, be forwarded to the accountants for an analysis and report.

A copy of all complete petitions filed on Form D-58A pursuant to section 5 (a) (12) of the housing regulation, and which involve a property consisting of four or less dwelling units, shall, immediately after docketing, be for-

If you use a fiscal year, the '2 years prior to the maximum rent date' will be your 2 fiscal years immediately preceding the maximum rent date."

Page 2, statement of incoming expense, third unnumbered paragraph: "All petitioners may file annual statements of income and expense for the years-intervening between the '2 years prior to the maximum rent date' and the 'current year' if they wish. Where expenditures made in these intervening years are properly allocable in part to the 'current year,' this fact should be clearly indicated."

warded to the accountants for an analysis and report if the maximum rent for any one or more dwellings in the property is not above the top of the rental range determined for comparable accommodations on the maximum rent date in the defense-rental area.

All complete petitions filed on Form D-58A pursuant to section 5 (a) (12) of the housing regulation and which involve four or less dwelling units, shall, after docketing, be denied on Form D-34 if the maximum rent for all of the dwelling units in the property is clearly at or above the top of the rental range determined for comparable housing accommodations on the maximum rent date in the defense-rental area. (In this connection, see Mr. Ivan D. Carson's memorandum of January 31, 1947, "Use of comparability in hardship adjustments.")

Prior to a referral of a copy of the petition filed on Form D-58 or D-58A to the accountants, such petition shall first be docketed and a copy of Form D-5A dispatched to the tenant or tenants. Under no circumstances should a copy of the landlord's petition on Form D-58 or D-58A be forwarded to the tenant. Upon return of Form D-5A from the tenants, the form shall be forwarded to the accountants for their information, after which it shall be returned for filing in the area office case docket. The remaining copy of the landlord's petition on Form D-58 or D-58A shall be placed in the case docket as a part of the area office files and shall contain on the face of the petition the date a copy of such petition is referred to the accountants.

Entry of order after receipt of accountants' report

Immediately upon receipt of the accountants' report for a particular property, the rent director shall, based upon this report, enter the appropriate order. If the accountants' report indicates that the landlord has suffered a hardship, the dwellings within the property must still meet the test of comparability. In determining whether or not the dwellings within the property meet the test of comparability, the instructions contained in Mr. Ivan D. Carson's memorandum of January 31, 1947, "Use of comparability in hardship adjustments," shall be carefully applied. If comparability as determined under these instructions will permit an adjustment based upon the landlord's hardship, the adjustment in the maximum rent shall be in the amount necessary to relieve the substantial hardship and shall be the lesser of the following two amounts: the decrease in net income (before interest), or the increase in property taxes or operating costs: *Provided*, That the adjustment shall not result in a maximum rent which exceeds the top of the rental range for comparable housing accommodations in the defense-rental area on the maximum rent date.

TELETYPE TO ALL REGIONAL OFFICES

Forms and new procedure have been forwarded the field for the handling of 5 (a) (12) hardship cases. In order to eliminate what has been a delay in the handling of a number of these cases in the past, we have revised the instructions for handling petitions involving four or less units. The instructions will replace those on page 5 of our February 6 memorandum on subject of amendment 110 to the housing regulation and further supplement that memorandum. The new additional instructions are being mimeographed and will be mailed directly to regions, area and branch offices, Tuesday, February 18. The most important change is that area rent offices will immediately start doing the complete processing of 5 (a) (12) cases involving one-, two-, three-, and four-rental dwelling units. It will no longer be necessary to submit these cases to the Accounting Division, except in extremely difficult cases. Another change is that the use of the D-5 "Notice to tenant and tenant's statement—Substantial hardship" is discontinued. Please make sure that all your offices follow this new procedure and that, wherever possible, the one-to-four-unit 5 (a) (12) case is completely handled within the area office.

We must accelerate our processing time in all hardship cases. In fact, we must accelerate our processing time in all landlord petition cases. Make sure that landlord petition cases are given A-1 priority in all your offices even though it may temporarily backlog such items as older first rents, etc. We are requesting by special memorandum that all offices utilize line 0-1, section III, of the 501 monthly operating report to report the pending backlog, processing, etc., of 5 (a) (12) cases. (Note: This is 5 (a) (12) housing only and does not include

5 (a) (9) hotel hardship cases.) The initial report will come in with the 501 as of the close of business February 25. Please have your offices send you every Friday so that you can send to this office every Monday afternoon, beginning Monday, March 10, a report from your region on 5 (a) (12) cases containing the following information: Number of petitions received during the week, number of petitions processed, number of petitions granted, number of units involved, and average amount of increase per unit.

The first report will include area work-load figures from February 26 to March 7, inclusive; the subsequent reports, only the previous week's figures. It is very important that we receive these figures promptly. Please see that we do so.

OFFICE OF TEMPORARY CONTROLS,
OFFICE OF PRICE ADMINISTRATION,
February 14, 1947.

Memorandum.

To: All Regional Rent Executives, Regional Rent Attorneys, Area Rent Directors, and Area Rent Attorneys.

From: Tom Tippet, Director of Operations.

Subject: Change in the Temporary Instructions of February 6, 1947, for Processing 5 (a) (12) Petitions.

Effective immediately, we are making a change in the processing of petitions filed under section 5 (a) (12) of the housing regulation involving a property of four or less dwelling units. In order to expedite the treatment of such cases, provision is now made for the processing of these petitions involving property of four or less units by the area office without reference to the accountants unless there are any substantial changes in the data from the base period to the current year which appear unreasonable.

Page 5 of the temporary instructions should be removed from the memorandum of February 6, 1947, "Amendment 110 to the housing regulation," and replaced with the following attached instructions.

Petitions filed under section 5 (a) (9) of the hotel regulation

A copy of all complete petitions filed on Form D-58 pursuant to section 5 (a) (9) of the hotel regulation shall, after docketing, be forwarded to the accountants for an analysis and report.

5 (a) (12) petitions under the housing regulation which involve a property of five or more dwelling units

A copy of all complete petitions filed on Form D-58A pursuant to section 5 (a) (12) of the housing regulation, and which involve a property consisting of more than four dwelling units, shall, immediately after docketing, be examined to determine whether the "prior representative period" selected by the petitioner for comparison with the current year is appropriate.

"Prior representative period" or the base period may be any two consecutive calendar or fiscal years between January 1, 1939, and the beginning of the "current year." Ordinarily the base period selected by the petitioner will be accepted as representative of the normal operations of the property. If there are unusual circumstances connected with the selected base period, the petitioner may be requested to select a new base period. An example of such unusual circumstances would be a case in which the first year of the base period was also the first year of operation of the property. The first year of operation cannot be considered representative because many normal expenses are not incurred during that period. If operating data are not available for a 2-year representative base period, a shorter period of not less than 1 year may be accepted if such shorter period is representative of the property's normal operations.

As soon as it is determined that the "prior representative period" is appropriate, the petition shall be forwarded to the accountants for an analysis and report. Prior to a referral of a copy of the petition filed on Form D-58A to the accountants, such petition shall first be docketed. The other copy of the landlord's petition on Form D-58A shall be placed in the case docket as a part of the area office files and shall contain on the face of the petition the date a copy of such petition was referred to the accountants. The use of Form D-5A, "Notice to tenant and tenant's statement substantial hardship" is to be discontinued. Under no circumstances should a copy of the landlord's petition on Form D-58A be forwarded to the tenant.

Entry of order after receipt of accountants' report

In order to expedite the processing of hardship cases by the accountants, their reports will now be made on a new short form, a copy of which is attached. Immediately upon receipt of the accountants' report for a particular property, the rent director shall, based upon this report and a determination of comparability where necessary, enter the appropriate order. If the accountants' report indicates that the landlord has suffered a hardship, the dwellings within the property must still meet the test of comparability. In determining whether or not the dwellings within the property meet the test of comparability, the instructions contained in Mr. Ivan D. Carson's memorandum of January 31, 1947, "Use of comparability in hardship adjustments," shall be carefully applied. If comparability as determined under these instructions will permit an adjustment based upon the landlord's hardship, the adjustment in the maximum rent shall be in the amount necessary to relieve the substantial hardship and shall be the lesser of the following two amounts: The decrease in net income (before interest), or the increase in property taxes or operating costs: *Provided*, That the adjustment shall not result in a maximum rent which exceeds the top of the rental range for comparable housing accommodations in the defense-rental area on the maximum rent date.

5 (a) (12) petitions under the housing regulation which involve a property of four or less units

All complete petitions filed on Form D-58A pursuant to section 5 (a) (12) of the housing regulation and which involve four or less dwelling units shall, after docketing, be denied on Form D-34 if the maximum rent for all of the dwelling units in the property is clearly at or above the top of the rental range determined for comparable housing accommodations on the maximum rent date in the defense-rental area. (In this connection, see Mr. Ivan D. Carson's memorandum of January 31, 1947, "Use of comparability in hardship adjustments.")

If the maximum rent for any one or more dwellings in the property is below the top of the rental range determined for comparable housing accommodations on the maximum rent date in the area, the petition shall, immediately after docketing, be forwarded to the chief examiner in the area office.

If it appears on the face of the petition that all instructions on Form D-60A, particularly those with regard to items 11 and 15, and the note 1 on page 2 of the petition have been complied with, and that the data for all items of income and expense are reasonable, the examiner may accept such submitted data to determine whether or not the property meets the test of substantial hardship, without reference of the petition to the accountants for an analysis and report. In this connection, please note that according to the rent regulation "property taxes and operating costs" are defined as including "all expenses necessary to the operation and maintenance of the property actually paid or accrued and properly allocated, including depreciation but excluding interest."

If, however, the data submitted by the petitioner contain any substantial increases or decreases from the base period to the current year which appear unreasonable in terms of the examiner's knowledge of tax changes, or changes in labor or other costs in the area, he should refer the petition to the accountants for an analysis and report in the same manner as that provided for a petition which involves a property consisting of five or more units. Upon receipt of the accountants' report, final disposition of the petition will be made on the basis of such report in the same manner as that provided for petitions involving five or more units.

The manual will be revised at an early date to reflect these recent changes. Until that time the criteria and procedures described below should be applied in processing 5 (a) (12) petitions involving four or less dwelling units when these are not referred to the accountants.

A. The property must have been operated for not less than one full year since the maximum rent date. The "current year" must be (a) the most recent full calendar or fiscal year used by the landlord, or (b) any 12-month period ending not more than 90 days prior to the filing of the petition. If an allowance is requested for increases in property taxes or pay roll not fully reflected in the "current year" selected, at least one calendar month must have passed between the end of the current year and the beginning of the month in which the petition is filed.

B. "Prior representative period" or the base period may be any two consecutive calendar or fiscal years, between January 1, 1939, and the beginning of the current year. Ordinarily, the base period selected by the petitioner will be accepted as representative of the normal operations of the property. If there are unusual circumstances connected with the selected base period, the petitioner may be requested to select a new base period. An example of such unusual circumstances would be a case in which the first year of the base period was also the first year of operation of the property. The first year of operation cannot be considered representative because many normal expenses are not incurred during that period. If operating data are not available for a 2-year representative base period a shorter period of not less than 1 year may be accepted if such shorter period is representative of the property's normal operations.

C. In some rare cases an allowance will be requested for "increases in pay roll and property taxes in effect on the date of the filing of the petition" and not fully reflected in the "current year." The following information is being provided so that you will be able to handle such unusual cases.

The information submitted on page 4 of Form D-58A must meet the following requirements:

(1) Such increases in pay roll and property taxes must have been in effect for a minimum period of one calendar month prior to the filing of the petition.

(2) The test month to be used for measuring these increases must be the calendar month immediately preceding the date of the petition.

(3) At least one calendar month must have passed between the end of the "current year" and the beginning of the month in which the petition is filed.

Where increases in pay roll or property taxes have occurred but are not fully reflected in the "current year," such increases will be taken into consideration in the following manner:

(1) If a petitioner requests an allowance for increases in property taxes not fully reflected in the current year, he must enter on page 4 of Form D-58A the assessments and tax rates on both real and personal property for the test month (the calendar month immediately preceding the date of the petition) and for the current year. The figure for all taxes other than income taxes for the "current year" should then be replaced by the estimated annual property taxes, based on the tax rates and assessments in effect during the test month.

(2) If a petitioner requests an allowance for increases in pay roll not fully reflected in the current year, he must submit in columns (a), (c), (d), and (e), on page 4 of Form D-58A, total monthly pay-roll figures and the number of employees for each of the months in the current year and for the test month (the calendar month immediately preceding the date of the petition). The pay-roll figure for the test month is put on an annual basis, with an adjustment for seasonality, if necessary, and is substituted for the pay-roll figure reported for the current year in item 7 on page 2 of Form D-58A.

If there are no substantial seasonal variations in pay roll from month to month during the "current year," the pay roll for the test month is converted to an annual figure by multiplying it by 12.

If there are marked seasonal variations in monthly pay-roll figures during the "current year," the pay roll for the test month is converted to an annual basis by multiplying it by the ratios of (a) the annual pay-roll figure for the "current year" to (b) the pay-roll figure for the month in the "current year" corresponding to the test month. For example, if, in a case of substantial seasonal variation in pay roll, the test month is June 1947, and the annual pay roll for the "current year" was 10 times the pay roll for the month of June in the "current year," the pay roll for June 1947, the test month, will be multiplied by 10 to obtain the annual pay-roll figure which will be used to determine hardship. In other words, the pay roll for a seasonal high or low month is not simply multiplied by 12 to obtain the projected annual pay roll.

The monthly data on the average number of employees should be used to determine whether or not the pay roll for the test month is out of line to an unreasonable extent. Generally, it could be expected that the number of employees for the test month would be just about the same as the number for the corresponding month of the "current year" unless there has been a steady rise in employment during the "current year."

D. For determining whether or not the submitted data indicate an adjustment for substantial hardship, the following definitions, as set forth in the regulation, and procedures should be used:

(1) "Net income (before interest)" means the amount determined by subtracting unavoidable property taxes and operating costs actually paid or accrued from total income earned."

(2) "Property taxes or operating costs" includes all expenses necessary to the operation and maintenance of the property actually paid or accrued and properly allocated, including depreciation but excluding interests."

(3) "Property" includes one or more structures operated as a single unit or enterprise."

(4) "Total income earned" includes rental and other income earned from the property and the rental value of housing accommodations in the property occupied without the full payment of rent."

(5) The total income of the property, as defined in No. 4 above, for the base period is the average of such total income for the 2 years in the base period (item 4 under columns (b) and (c) on p. 2 of Form D-58A).

(6) The total expense of the property, as defined in No. 2 above, for the base period is the average of such total expense for the 2 years in the base period (item 16 under columns (b) and (c) on p. 2 of Form D-58A).

(1) The net income (before interest) of the property, as defined in No. 1 above, for the base period is the average of such net income (before interest) for the 2 years in the base period (item 17 under columns (b) and (c) on p. 2 of Form D-58A).

(8) The amount of increase or decrease in total expense from the base period to the current year is determined by subtracting the average total expense for the base period (No. 6 above) from the total expense for the current year (item 16 under column (d) on p. 2 of Form D-58A).

(9) The amount of increase or decrease in net income (before interest) from the base period to the current year is determined by subtracting the average net income for the base period (No. 7 above) from the net income (before interest) for the current year (item 17 under column (d) on p. 2 of Form D-58A).

E. No adjustment under section 5 (a) (12) is proper unless both of the following facts are indicated by the data submitted:

(1) The property has sustained a decrease in net income (before interest) for the current year as compared with the base period (to be determined as provided in section D (9) above).

(2) The property has sustained an increase in operating costs, including property taxes, for the current year as compared with the base period (to be determined as provided in section D (8) above).

F. If the property has sustained both a decrease in net income (before interest) and an increase in operating costs, including property taxes, as required in section E above, an adjustment is proper.

When net income has decreased by a greater amount than the increase in operating cost, it is only necessary to consider for adjustment that part of the decrease which has been caused by the cost increase. If operating costs have increased by a greater amount than net income has decreased, relief of the hardship will require no more than compensation for the reduction in net income.

The adjustment in maximum rent, therefore, shall be made in the lesser of the following two amounts indicated by the data: The decrease in net income (before interest) or the increase in operating costs, including property taxes.

G. Once the hardship has been established, the maximum rent for all units not rented at or above the top of the indicated rental range may be adjusted. Therefore, to the extent that is necessary to distribute the amount of hardship indicated by the data, the rents for such units may be increased, so long as the adjusted rental for each unit does not result in rent in excess of the indicated rental range. (See Mr. Carson's memorandum of January 31, 1947, "Use of comparability in hardship adjustments.")

NEW SHORT FORM OF ACCOUNTANTS' REPORT

CONFIDENTIAL—FOR USE WITHIN OPA ONLY

Date_____

Memorandum.

To: _____, Area rent director. City_____

State_____

From: _____, Regional accounting executive, re-
gion_____

By: _____, accountant. City_____

State_____

Subject: 5 (a) (12) Rent adjustment petition of_____

_____ Property address: _____

City_____ State_____ Account-

ing Docket No._____

SUMMARY OF FINDINGS

The following data have been derived from a comparison of the operations of the subject property during the petitioner's current year with the operations during his average base period computed on the basis outlined under "Scope of examination":

The decrease in net income before interest was_____ ¹\$_____The increase in net expenses exclusive of interest was_____ ¹\$_____

SCOPE OF EXAMINATION

The petitioner's current year ended_____ ²The petitioner's base period ended_____ ² and covered_____ ³Projections of recent increase in expenses_____ ⁴ included in the
petitioner's figures.Records other than those submitted by the petitioner_____ ⁴ examined
by the accountants.Adjustments_____ ⁴ made by the accountant to the figures submitted
by the petitioner. Details of adjustments, if any, appear on the attached
schedule.

Senator FERGUSON. Do you not anticipate everyone will come to the office and try to get an increase?

General FLEMING. No; I do not think they all will, but I expect a great number will come, Senator.

Senator FERGUSON. Do the orders you have issued permit increases in the majority of cases?

General FLEMING. It permits increases under certain heads. They are all laid out for the rent-control people.

Senator FERGUSON. Do they have to go to the regional office or come here?

General FLEMING. No, sir; the area rent office takes the action.

NUMBER OF EMPLOYEES ENGAGED IN PUBLICITY ACTIVITIES

Senator BROOKS. How many of your 13,000 employees are engaged in publicity work, Mr. McCullough?

¹ Insert amount or "None," do not insert negative amounts.

² Insert date.

³ Insert "1 year" or "2 years."

⁴ Insert "were" or "were not."

Mr. McCULLOUGH. The total information staff, Senator, including clerical employees in the field offices and the national office, is 47.

Senator BROOKS. Forty-seven?

Mr. McCULLOUGH. Yes, sir.

Senator BROOKS. And how many of those are engaged in radio broadcasts, the releases of speeches, and the like?

Mr. McCULLOUGH. Since price decontrol we have contracted our informational staff very sharply, a total of 497 people on July 1, to this number 47, on February 1, and most of the people now employed either in the national office or in the field on the informational staff have to do a little bit of everything in connection with the information function.

There are, I believe, nine people in the national office, nine professional employees, and each of those people is engaged at times in the preparation of information material.

Senator BROOKS. This information material is for the continuation of rent control?

Mr. McCULLOUGH. No, sir. That is information which is prepared in the nature of press releases or otherwise, primarily for the purpose of acquainting people, the trade, and consumers with their responsibilities and their protection under rent control and rationing programs.

These programs, as you know, affect a great many millions of people, and one of our chief problems during the war has been to inform people what the regulations were and what their rights under the regulations were and how they may avail themselves of those rights.

PROPAGANDA TO CONTINUE RENT CONTROL

Senator FERGUSON. How much has been spent in propaganda to continue rent control, or how much time has been spent?

Mr. McCULLOUGH. I know of no time spent in that direction.

Senator FERGUSON. In radio programs or any announcements on the radio with respect to the value of continued rent control?

Mr. McCULLOUGH. I know of none that have been of that nature, Senator.

The Congress last year had certain restrictions which were with respect to the use of our informational staff and informational fund, and we have followed those very strictly.

The CHAIRMAN. Any questions, gentlemen?

PEAK OF OPA EMPLOYMENT

Senator RUSSELL. What was the peak of your employment, Mr. McCullough?

Mr. McCULLOUGH. I believe it was about 65,000, Senator. That was July 31, 1945, just before VJ-day.

REDUCTIONS IN OPA PERSONNEL

Senator RUSSELL. In reducing the personnel drastically, has there been any increase in the average salary or average classification? In other words, do you retain a very high proportion of the higher paid employees?

Mr. McCULLOUGH. Yes, Senator, I think that the ratio of higher paid employees to clerical employees has increased with the liquidation of the staff.

I think the reason for that is that with the elimination of local boards, we eliminated in that single action some 9,000 positions, all of which, or the great majority of which were clerical positions.

In the national office, or the regional offices the job we have to do require a great many skilled people, and many of the jobs cannot be done by clerks.

Senator RUSSELL. In the liquidation of any agency the fellow that does the firing is the last one that leaves.

Mr. McCULLOUGH. I think any consideration of our responsibilities will demonstrate it is a balanced situation.

Senator McKELLAR. How many people did you have on October 1, 1946?

Mr. McCULLOUGH. In 1946, national and field, 34,728.

Senator McKELLAR. And you now have 13,000?

Mr. McCULLOUGH. Yes.

Senator McKELLAR. In other words, 34,000 were doing the entire work of the OPA, and only three programs remain, to wit, rent control, sugar control, and in a limited way, rice control, and you have kept one-third of your force.

Mr. McCULLOUGH. Senator, when we were discharging all of the responsibilities relating to rationing and price control and rent control, the staff exceeded 64,000, approximately 65,000.

As we dropped the first large segment of the rationing program and later other programs, that staff was rapidly reduced.

At the present time we have rent control, sugar rationing, enforcement of sale prices on veterans' housing, and we are engaged in completing subsidy audits which will result—

NUMBER OF EMPLOYEES ASSIGNED TO SUBSIDY AUDITS

Senator McKELLAR. How many people have you working on the subsidy audits?

Mr. McCULLOUGH. I believe 90.

NUMBER OF EMPLOYEES ON SUGAR PROGRAM

Senator McKELLAR. How many do you have in the sugar program?

Mr. McCULLOUGH. In the sugar activity we have 2,067.

NUMBER OF EMPLOYEES ENGAGED IN RENT-CONTROL ACTIVITIES

Senator McKELLAR. Two thousand and sixty-seven. How much on rent control?

Mr. McCULLOUGH. Six thousand three hundred and seventy-four.

Senator McKELLAR. How much was that? Six thousand three hundred what?

Mr. McCULLOUGH. Six thousand three hundred and seventy-four. That is on the administration of rent control exclusive of administrative staff of enforcement.

NUMBER OF EMPLOYEES IN ADMINISTRATIVE AND ENFORCEMENT FUNCTIONS

Senator McKELLAR. How many have you got in administrative and enforcement staff?

Mr. McCULLOUGH. In the enforcement activity, including enforcement of sugar rationing regulations and rent program, we have 2,653.

EMPLOYEES IN RICE PROGRAM

Senator McKELLAR. Two thousand six hundred and fifty-three. And how many in rice?

Mr. McCULLOUGH. The sugar staff includes the rice activity.

Senator McKELLAR. Includes the rice activity.

Mr. McCULLOUGH. There are only three or four employees in total in that.

Senator McKELLAR. That makes how many?

Mr. McCULLOUGH. I have not given it all.

Senator McKELLAR. I would like to have it all. What do you do with the rest of them?

EMPLOYEES ENGAGED IN COST ACCOUNTING

Mr. McCULLOUGH. May I give you the rest of the staff? In accounting there are 511 positions. That is cost accounting, of course. It is not our fiscal work.

Senator McKELLAR. Cost accounting.

EMPLOYEES ENGAGED IN EXECUTIVE ACTIVITIES

Mr. McCULLOUGH. In the executive activity in the national office and in the field there are 342.

Senator McKELLAR. Three hundred and forty-two?

Mr. McCULLOUGH. Yes, sir. In the office of Public Records there are 242.

REMOVAL OF CONTROLS ON RATES OF TRANSIENT ROOMS

Senator McKELLAR. How much did you reduce? You have the rents on rooms and hotels and rents generally. How much have you allowed to be reduced?

General FLEMING. On the 15th of February the control of transient rooms in hotels was completely taken off. It is up to the hotels themselves as to how much or whether they will raise them. Rooms rented on a weekly or monthly basis, the control was kept on.

Senator McKELLAR. Kept on on a monthly basis, but transients were taken off?

General FLEMING. Taken off entirely.

Senator McKELLAR. Is that the greater part of the work of the hotels?

General FLEMING. Yes.

Senator McKELLAR. How much did you reduce your force when you took away that jurisdiction by leaving the hotels to the owners?

General FLEMING. No reduction on that.

Senator McKELLAR. No reduction.

General FLEMING. The owners of the hotels are presently filing with us statements as to the number of rooms that they use habitually as transient rooms, and it is only those rooms that we permit them to raise the rent on.

Senator McKELLAR. Well, you still hold it on the rent of private houses?

General FLEMING. We still have rent control.

Senator McKELLAR. On private houses?

General FLEMING. Until the 30th of June.

EMPLOYEES ENGAGED ON RENT-CONTROL ACTIVITIES

Senator McKELLAR. And how many people have you got there? I believe you gave it a while ago. Rent was 6,374 people; is that right?

General FLEMING. That is correct.

SUGAR-RATIONING STAFF

Senator McKELLAR. Now you have 2,067 people. What do they do?

Mr. McCULLOUGH. That is the sugar-rationing staff.

Senator McKELLAR. That is the sugar rationing?

Mr. McCULLOUGH. Yes, sir.

ENFORCEMENT ACTIVITIES

Senator McKELLAR. Then you have got 2,653 enforcement staff?

Mr. McCULLOUGH. Yes, sir.

Senator McKELLAR. Do you have a police force to look after?

Mr. McCULLOUGH. No, sir; it is not a police force.

Senator McKELLAR. What kind of a force is it?

Mr. McCULLOUGH. They make investigations with respect to alleged violations of the rent-control, price-control, or sugar-rationing regulations.

Senator McKELLAR. Who enforces rent control? Is it turned over to the law, or what do you do with it? Suppose I own a house and am exacting too much rent. What is done to me and who does it?

Mr. McCULLOUGH. May I ask our general counsel, Mr. Auerbach, to answer that question, Senator McKellar?

Senator McKELLAR. All right.

Mr. AUERBACH. Well, there are two methods, Senator, by which rent control is enforced. The first is the work of our own compliance and enforcement staff that conducts investigations on complaints and otherwise that are lodged with the organization, by tenants, charging that their landlords are charging them illegal rents. We investigate those complaints and we try to work out an amicable settlement.

In cases where settlement cannot be worked out, then our litigation staff will take that case to the courts.

RENT-CONTROL CASES TAKEN TO COURT

Senator McKELLAR. How many have been taken to the courts in the last 6 months?

Mr. McCULLOUGH. I would be glad to supply that information for the record, Senator; I do not have that figure.

(The information requested is as follows:)

Rent sanctions instituted August 1946 through January 1947

Federal criminal prosecutions	51
Treble damage suits	3,008
Injunction suits ¹	3,310
Contempt proceedings	20
Local criminal prosecutions	163
Treble-damage settlements	1,667
Total	8,224

¹ Total of injunction suits includes 913 cases tabulated between August and December 1946, inclusive, in which the only relief requested was injunctive, in connection with illegal eviction, restoration of services, failure to register, etc. Although January 1947 tabulation is not available, approximately 100 similar cases are estimated to have been filed, leaving approximately 2,300 cases in which injunctive relief was asked in connection with a treble-damage action during the period covered by the table.

Mr. AUERBACH. We have our man in charge of enforcement here, Senator.

Senator McKELLAR. Can you tell us?

Mr. McCULLOUGH. Do you have that figure in mind, Mr. Remy?

Mr. REMY. The figure for January was 967 civil suits.

NUMBER OF ATTORNEYS IN OPA

Senator FERGUSON. How many lawyers would handle those 967 suits? How many lawyers have you?

Mr. REMY. We have a total of 405 attorneys.

Senator McKELLAR. 405 attorneys?

Mr. REMY. On rent, sugar, and liquidation of price-control cases. We have approximately 100 attorneys working on rent cases.

Senator FERGUSON. That would be 9 cases a month. These are not large cases, are they?

Mr. REMY. That is correct. Those are in addition to approximately 360 that we settled during that month that did not go to court.

Mr. McCULLOUGH. Mr. Remy, will you state how many attorneys are working on rent?

Mr. REMY. Approximately 100.

SALARIES OF OPA ATTORNEYS

Senator McKELLAR. What are the salaries of those attorneys? 405. How do the salaries vary? The highest and the lowest.

Mr. REMY. The highest is the top attorney in the regional office, a P-7.

Senator McKELLAR. How much?

Mr. REMY. The rating of P-7 is the highest. We have got that in one office.

Senator McKELLAR. Well, what is a P-7?

Mr. REMY. It is about \$7,200.

Senator McKELLAR. \$7,200. That is, with the addition of the raise?

Mr. REMY. With the pay increase, yes.

Senator McKELLAR. What would that be?

Mr. REMY. I think that includes it. A P-7 is a \$7,000 job.

Senator McKELLAR. But you get in addition two raises under the statute, I believe?

Senator BROOKS. \$7,200, Senator, includes it all.

Senator McKELLAR. It includes it all.

Mr. REMY. I think so, about.

Senator BROOKS. Do I understand that is not the base pay? That is the gross pay?

Mr. REMY. I do not know. I am sorry.

Mr. McCULLOUGH. That is gross.

Senator McKELLAR. That is gross.

Mr. McCULLOUGH. The base pay is \$6,500 for a P-7.

Senator McKELLAR. What is the lowest?

Mr. REMY. The lowest is a P-2 attorney. That is around \$3,400.

Senator McKELLAR. Is that base or gross?

Mr. LEWELLYN. I do not have the exact salary ranges.

Senator McKELLAR. Could you get us that information?

Mr. LEWELLYN. Certainly.

Senator McKELLAR. I want to get a direct statement as to what your pay is for these attorneys in these matters.

Mr. McCULLOUGH. We would be glad to supply that for the record.

Senator McKELLAR. I wish you would.

Mr. McCULLOUGH. And if you would like, we will break it down between activities to which these attorneys are assigned.

Senator McKELLAR. And where they are located.

Mr. McCULLOUGH. Yes, sir.

Senator McKELLAR. How many in Washington and how many in the field.

Mr. McCULLOUGH. Yes, sir.

(The information requested is as follows:)

There are at present 425 enforcement attorney positions available to the field offices. Of this number totals assigned to the several activity break-downs of enforcement responsibilities are as follows:

For executive and supervisory duties-----	36
For the conduct of litigation-----	42
For the handling of sugar cases-----	70
For the handling of rent cases and the veterans' sales-control program----	162
For the handling of pending and uncompleted price-control cases-----	108
For the handling of cases developed by Enforcement's highly trained special agents who concentrate on criminal violations-----	7
Total-----	425

These 425 attorney positions are distributed on a location basis as follows:

	<i>Total attorney</i>		<i>Total attorney</i>
Region I, total: All located in		Region III:	
Boston-----	23	Supervisory, regional office,	
		Cleveland-----	14
		Detroit-----	13
Region II:		Cincinnati-----	12
Supervisory, regional office,		Cleveland-----	14
New York City-----	22	For special agents-----	1
New York, metropolitan-----	35		
Baltimore-----	9	Total-----	54
Newark-----	11		
Syracuse-----	9	Region IV:	
Philadelphia-----	21	Supervisory, regional office,	
For special agents-----	1	Atlanta-----	13
		Miami-----	10
Total-----	108	Atlanta-----	11
		Raleigh-----	12

	<i>Total attorney</i>		<i>Total attorney</i>
Region IV—Continued		Region VI—Continued	
Memphis -----	9	Des Moines -----	8
For special agents -----	1	Twin Cities -----	13
		For special agents -----	1
Total -----	56	Total -----	55
Region V:			
Supervisory, regional office,		Region VII, total, all located in	
Dallas -----	13	Denver -----	14
New Orleans -----	6		
St. Louis -----	11	Region VIII:	
Oklahoma City -----	10	Supervisory, regional office,	
Dallas -----	15	San Francisco -----	13
For special agents -----	1	Los Angeles -----	20
		San Francisco -----	14
Total -----	56	Seattle -----	11
		For special agents -----	1
Region VI:		Total -----	59
Supervisory, regional office,		Grand total -----	425
Chicago -----	13		
Chicago -----	20		

Salaries for this attorney group range from civil-service classification P-3 (\$4,147.60) to P-7 (\$8,179.50), with the average at \$5,559.50. Of the total of 425 attorney positions, the numbers in each salary group are as follows:

P-3 (entrance salary for grade—\$4,149.60) -----	64
P-4 (entrance salary for grade—\$4,902) -----	154
P-5 (entrance salary for grade—\$5,905) -----	114
P-6 (entrance salary for grade—\$7,102.20) -----	85
P-7 (entrance salary for grade—\$8,179.50) -----	8
Total -----	425

In the national office (Washington) there are now 63 attorneys employed in the enforcement department. Their assignment of duties are as follows:

In the Office of the Deputy Commissioner for Executive and Supervisory Duties -----	6
In the Litigation Division -----	33
On the rent and sales control programs -----	7
On the sugar program -----	7
On the program for the handling of pending and incompleted price-control cases -----	9
In the Division of Special Investigations -----	1
Total -----	63

CONTINUATION OF RENT CONTROL

Senator McKELLAR. Let me ask General Fleming a question. General Fleming, how much longer do you figure to keep up rent control and rice control and sugar control?

General FLEMING. I know very little about the rice situation, but I have testified before the Senate Banking and Currency Committee I thought we should continue rent control until at least the 1st of July 1948.

Senator McKELLAR. July 1948?

CONTINUATION OF SUGAR CONTROL

General FLEMING. The sugar control depends a good deal on what the world sugar supply is. It looks like there would be an easing off

in sugar, and the minute there is an ample supply, then we can stop all sugar control.

I would rather have somebody from the Department of Agriculture answer that question than to answer it myself. But I can foresee in the not too distant future a considerable lessening in our force engaged in sugar control.

RELAXATION OF CONTROLS IN NOVEMBER 1946

Senator McKELLAR. Well, now, I believe it was in November that you took off all of the controls except these three, but previous to that time, you thought they all should stay on.

General FLEMING. I did not have anything to do with it. I did not get into this job until the 12th of December 1946.

Senator McKELLAR. Because I like you personally, I am glad of that. What strikes me is that with all of the OPA controls, the many controls, and you almost had everything in your business, it cost such an enormous sum to just look after three now, rents and sugar and possibly rice. Though rice seems not to be really material.

VETERANS HOUSING PROGRAM

General FLEMING. We also have a program in connection with the veterans housing program.

Senator McKELLAR. How did you get that?

General FLEMING. The expediter of that, rather than have money appropriated to him, was authorized to use other agencies of Government to help him with his work, so in both the CPA and OPA, we are devoting activities to that program.

CIVILIAN PRODUCTION ADMINISTRATION

Senator McKELLAR. CPA was the old War Production Board, and when we got through with War Production, we went back to a peacetime basis.

General FLEMING. Well, it is a Civilian Production now.

Senator McKELLAR. I know, but just changing the name of it does not help economize.

TRANSFER OF ACTIVITIES TO OFFICE OF TEMPORARY CONTROLS

General FLEMING. Well, there is another one I inherited on the 12th of December.

Senator McKELLAR. Well, I congratulate you. You inherited it and you did not put it into effect. How much of this money is spent for these controls that have been transferred to you from other departments of government? You say we have appropriated money for the other departments. Did they give the money to you?

General FLEMING. No; no money.

Senator McKELLAR. They did not give you the money when they transferred control?

General FLEMING. No, sir.

Senator McKELLAR. How does that money go out? Or where does that money go to that we appropriated?

General FLEMING. I do not think they had money appropriated for that purpose.

Senator McKELLAR. They did not?

General FLEMING. No, sir.

Senator McKELLAR. Well, I do not recall. I have been on this committee for a long time, but I do not recall any operation of government that has not come before us to get money to operate on.

ACTIVITIES PERFORMED FOR HOUSING EXPEDITER

General FLEMING. This is work that was given to us by the Housing Expediter.

Senator McKELLAR. How much of it was given to you by the Housing Expediter?

General FLEMING. Not a dime.

Senator McKELLAR. Not a dime?

General FLEMING. No, sir.

Senator McKELLAR. How much do you spend on the housing program?

General FLEMING. Have you that figure?

Mr. McCULLOUGH. Yes, sir. We now have employed, Senator, on this veterans' housing program, approximately 497 people.

Senator McKELLAR. 497 people at a cost of what?

Mr. McCULLOUGH. Do you have those figures?

Mr. LLEWELLYN. No, I do not.

Mr. McCULLOUGH. I will be glad to supply that, Senator.

Senator McKELLAR. All right, sir.

(The information requested is as follows:)

Number of people employed in the veterans' housing program and total cost for the year, actual, Jan. 1, 1947

Rent.....	105
Enforcement.....	¹ 425
Total.....	530

¹ Includes some overhead positions.

Revised estimate of sales control cost for full year \$1,902,117. Of this amount \$877,054 is scheduled for obligation in fourth quarter. In case the program is discontinued, the total amount cannot be saved, as accrued leave will then be paid to terminated employees.

Senator FERGUSON. Do they work on anything else besides that housing?

Mr. McCULLOUGH. That staff is engaged almost exclusively in this program.

Senator FERGUSON. Are they exclusively or not?

Mr. McCULLOUGH. I would say no, Senator.

Senator FERGUSON. What else do they do?

Mr. McCULLOUGH. Most of them are located in area rent offices.

Senator FERGUSON. Yes; but what do they do there for the Housing Expediter?

Mr. McCULLOUGH. They accept complaints with respect to overcharges on housing started with priorities' assistance.

Senator FERGUSON. Are they enforcement officers?

Mr. McCULLOUGH. No, sir. These people in the area rent offices are not enforcement officers. They accept these complaints. They are engaged in compliance work and where there has been an overcharge they attempt to have that overcharge refunded to the veteran.

Senator FERGUSON. Are they lawyers?

Mr. McCULLOUGH. They may be. Some of them may be attorneys, but most of them are not. Where they are unable to work out a settlement in that community, they refer that case to the enforcement staff in the regional office.

It is at that point that enforcement activity may take place.

Senator FERGUSON. Well, now, that is entirely outside of your so-called rent control?

Mr. McCULLOUGH. Yes, it is.

Senator McKELLAR. May I interrupt there just a moment?

Senator FERGUSON. Go ahead, Senator.

EMPLOYEES WERE NOT TRANSFERRED TO OTC WITH FUNCTIONS TRANSFERRED

Senator McKELLAR. When you got this work from the other organizations, did they send over the 497 people for you to use?

Mr. McCULLOUGH. No, sir, they did not, Senator.

Senator McKELLAR. Now, you took over the work and employed 497 additional people to do that work?

Mr. McCULLOUGH. Yes, sir.

Senator McKELLAR. They never paid you a cent. These people with whom it had been placed before then.

Mr. McCULLOUGH. The legislation last year provided that the Housing Expediter could call upon other agencies of Government to help him carry out the provisions of the act under which he was operating.

Senator McKELLAR. He just called on you and you employed 497 additional people and have done the work?

Mr. McCULLOUGH. Either employed those people anew or transferred them from other work on which they were engaged, yes, sir.

Senator McKELLAR. How many did you employ new and how many did you take from other work?

Mr. McCULLOUGH. I do not have that figure.

Senator McKELLAR. Will you get that figure?

Mr. McCULLOUGH. I will be glad to.

Senator McKELLAR. Thank you very much.

(The information requested is as follows:)

Number of people employed for sales control and number transferred from other activities

New employees.....	105
Retained by transfer.....	425

VOLUNTEER EMPLOYEES

Senator TYDINGS. May I ask one question? Would you mind putting in the record, or if you know tell us, the number of volunteer OPA and rent officials that you had 6 months ago and the number you have today, rationing boards, and things like that, working voluntarily and without expense to the Federal Government. Just approximate it.

Mr. McCULLOUGH. Senator, I would like to give you an approximate figure now and I will insert a more exact figure in the record.

Senator TYDINGS. All right.

(The information requested is as follows:)

Number of volunteers at peak operation June 30, 1945

Board members.....	124, 301
Volunteer clerks, price assistants, etc.....	103, 489
Continental United States only.....	
Total.....	233, 790

Mr. McCULLOUGH. When all the rationing programs were in effect, we had in excess of 200,000 citizens who volunteered their services on a full- or part-time basis all over the United States to make these programs possible. Those people, as you know, were not paid, but many of them devoted their full time to the rationing and price-control work.

Senator TYDINGS. How many have you now?

Mr. McCULLOUGH. As far as I know, there are none, because we have closed all of the local boards, and a substantial part of the clerical activities that some of those people were doing in local boards must now be done by a paid staff.

Senator TYDINGS. The point is that where you had the help when the flower was in full bloom of 200,000 nonpaid assistants, you now have the help of none as curtailment has taken place and all is done by paid employees of the Government.

Mr. McCULLOUGH. That is correct.

CASES WHERE ATTORNEYS WERE UTILIZED FOR ENFORCEMENT

Senator BROOKS. May I ask one other question? I am not clear as to the number of cases where you used attorneys for enforcement in January. Was it 600?

Mr. McCULLOUGH. Senator, in total cases?

Senator BROOKS. Yes.

Mr. McCULLOUGH. The figure referred to a few moments ago was rent cases.

Senator BROOKS. Rent cases.

Mr. McCULLOUGH. I would be glad to give you for the record the total cases of all kinds we handle in any period you like.

(The information requested is as follows:)

Statement of workload of attorneys in rent enforcement, January 1947

ATTORNEY ACTIVITY FOR PERIOD	Number of cases
1. Out-of-court settlement of treble damage claims.....	210
2. Total number of cases in which suit was filed in court.....	942
(a) Cases filed in court in which a treble damage claim was asserted.....	815
(b) Cases filed in court in which injunction relief was asked.....	728

[NOTE.—This total of 728 includes those cases in which the only relief requested was injunction; in connection with illegal eviction, restoration of services, failure to register, etc., and those cases in which injunction relief was asked in connection with a treble damage action. Approximately 100 of the total are injunction actions not coupled with any other remedy.]

ATTORNEY ACTIVITY FOR PERIOD—continued

Number
of cases

3. Treble damage claims in pending court cases disposed of by settlement (in addition to the 210 out-of-court settlements, item 1), judgment or withdrawal----- 638
4. Claim for injunction relief in pending court cases disposed of by judgment or withdrawal----- 837

[NOTE.—This total of 837 includes those cases in which the only relief requested was injunction, in connection with illegal eviction, restoration of services, failure to register, etc., and those cases in which injunction relief was asked in connection with a treble damage action. Approximately 100 of the total of 387 are cases where the claim for injunction relief was not coupled with any other remedy.]

5. In addition to the workload shown in the above figures, there are the frequent and time-consuming appearances in court on motions, pre-trial conferences, settlement negotiations, conferences with United States attorneys on criminal referrals, and similar matters for which no workload or time figures are available.

CASES REFERRED TO DEPARTMENT OF JUSTICE

Senator McKELLAR. How many of these cases have you turned over to the Department of Justice, that is, the general law enforcement office. Under our system, the Attorney General's office is the law enforcement office. How many of these cases have been turned over to his office?

Mr. AUERBACH. Every criminal case is turned over to the Department of Justice for such action as the Department of Justice cares to take.

Senator McKELLAR. How many of those have there been?

Mr. McCULLOUGH. Mr. Remy, can you give us that figure, please?

Mr. REMY. In what period of time?

Senator McKELLAR. Last year.

Mr. McCULLOUGH. Have you got a figure for 1946?

Mr. REMY. We will have to supply that.

(The information requested is as follows:)

*Total cases referred to Department of Justice for criminal prosecution by OPA
Jan. 1 to Dec. 31, 1946*

January-----	99	August-----	138
February-----	112	September-----	201
March-----	93	October-----	257
April-----	198	November-----	214
May-----	119	December-----	81
June-----	181		
July-----	89	Total-----	1,782

CIVIL CASES HANDLED DURING 1946

Senator McKELLAR. How many civil cases during that time?

Mr. AUERBACH. Senator, I might answer this, during the life of OPA up through October 31, 1946, there was a total of 13,046 criminal prosecutions.

Senator McKELLAR. Yes, sir; 13,000. Well, find out what they were in 1946.

(The information requested is as follows:)

Sanctions instituted, 1946

Total litigation instituted:

Administrator's consumer treble damage suit-----	11, 591
Administrator's own treble damage suit-----	3, 469
Injunction suit-----	22, 650
License suspension suit-----	525
Federal criminal prosecution-----	1, 708
Local criminal prosecution-----	2, 523
Contempt proceedings-----	241

Total monetary settlements:

Administrator's consumer treble damage claims-----	13, 650
Administrator's own treble damage claims-----	4, 474

Total administrative proceedings instituted:

Determination proceedings-----	83
Suspension order proceedings-----	10, 675
Total-----	71, 589

CASES REFERRED TO DEPARTMENT OF JUSTICE

The CHAIRMAN. One other question there. When you turn over a case to the Department of Justice, do you turn it over with a recommendation or do you just turn over the facts?

Mr. AUERBACH. Well, unless we feel that a case should be prosecuted, we do not turn it over to the Department of Justice.

The CHAIRMAN. By turning it over, the inference is that it should be prosecuted?

Mr. AUERBACH. Yes. But the United States attorney exercises his own judgment in the field as to whether he will bring an indictment or not. We have a double check. You have the opinion of the OPA staff and the independent opinion of the United States attorneys in the field as to whether they want to go ahead.

General FLEMING. And I believe their attorneys are sometimes helped by ours in the prosecutions in the field.

Senator McKELLAR. You have not turned over civil cases at all?

Mr. AUERBACH. No. Under the law written by Congress, OPA was directed to conduct its own prosecutions.

The CHAIRMAN. Are there any other questions before we close OPA?

EFFECT OF REMOVAL OF CONTROLS ON RATES FOR TRANSIENT ROOMS

Senator RUSSELL. I would like to ask one. Has there been any trend upward or downward in the transient rooms since they were decontrolled February 15?

Mr. McCULLOUGH. May I ask Mr. Carson if he has information on that?

Mr. CARSON. We do not have any information on that.

Senator RUSSELL. Do you know whether the hotels increased the rates or lowered them?

Mr. CARSON. No, sir.

General FLEMING. I have seen it in the press, certain cases.

I was out in Chicago this last week in a hotel out there, and under the glass on the dresser was a sign that, effective February 15, the rate of this room is so-and-so, and it formerly was such-and-such. I got stuck with my own action.

Senator McKELLAR. Do you remember the rate of increase?

General FLEMING. It seems to me it was raised from $4\frac{1}{2}$ to $5\frac{1}{4}$; that particular room.

Senator RUSSELL. I thought it might cast some light on this general question of rent control. I thought you gentlemen, perhaps, would be curious to know what would happen.

Mr. McCULLOUGH. We will have information on that, Senator, as rapidly as we can get enough data on which we can form a judgment.

I should like to point out that because hotel vacancies are considerably higher in most cases, than housing vacancies, the pressures are not the same. The pressures on housing are much greater now, and I would assume that in the absence of effective rent control, the increase would be much greater than in the case of hotel rooms.

The CHAIRMAN. Now General Fleming, leaving the Office of Price Administration, we will go on to the Civilian Production Administration. Is there any summary you want to give us before you close?

General FLEMING. I gave you my summary, and what I had to say.

I have Mr. Houston here, the Commissioner of CPA. Maybe you have some questions you would want to ask him.

The CHAIRMAN. Mr. Houston, specifically what did you request the House and what did the House give you, and what is your position today?

CIVILIAN PRODUCTION ADMINISTRATION

STATEMENT OF MAJ. GEN PHILIP B. FLEMING, TEMPORARY CONTROLS ADMINISTRATOR, ACCOMPANIED BY JAMES W. FOLLIN, ASSISTANT, TEMPORARY CONTROLS ADMINISTRATOR; JOHN C. HOUSTON, JR., COMMISSIONER OF CIVILIAN PRODUCTION; DAVID NOVICK, DIRECTOR, BUREAU OF DEMOBILIZATION; JOHN W. HARRISON, BUDGET OFFICER, CIVILIAN PRODUCTION ADMINISTRATION; ERNEST E. HALL, EXECUTIVE OFFICER, OFFICE OF TEMPORARY CONTROLS; AND D. E. A. CAMERON, BUDGET OFFICER, OFFICE OF TEMPORARY CONTROLS, WASHINGTON, D. C.

EFFECT OF HOUSE ACTION

Mr. HOUSTON. When we appeared before the House Appropriations Committee, we had estimated that of an original budget for the fiscal year of \$18,000,000, that it would be possible to rescind \$1,200,000. At the time that we appeared before the committee, we were asked what money we would need to complete the fiscal year if our agency was to liquidate completely by June 30. We submitted an estimate which indicated that in order to close our doors on June 30, that we would require about \$1,000,000 less than the \$16,800,000. Of course, that would mean terminating all of our activities in connection with the

housing program and seriously curtailing our other programs as of March 31 of this year.

If we did that, it would mean that we could carry through until June 30 with just liquidating functions from March 31, and could meet our obligations for terminal leave during the fiscal year.

It would give us approximately \$819,000 with which to carry on our liquidation operations, and a few continuing operations, during the last quarter over and above our obligation for annual leave.

Senator McKELLAR. May I interrupt to call your attention to page 4, "Salaries and expenses, Civilian Production Administration, Office of Temporary Control, 1947, \$2,400,000," when the estimate was \$1,200,000.

Senator RUSSELL. That is what they recaptured.

Senator McKELLAR. These are reductions?

Mr. HOUSTON. That is right.

Senator HAYDEN. The House proposes to take more money away from them.

Senator McKELLAR. I am glad to have that explanation.

REQUEST FOR REDUCTION IN AMOUNT OF RESCISSION

The CHAIRMAN. Now, Mr. Houston, what are you requesting of this committee today?

Mr. HOUSTON. We are requesting the restoration of the \$1,200,000, which was proposed to be rescinded over and above our original \$1,200,000 which makes a total of \$2,400,000. Also, to be able to carry our operations through June 30 instead of curtailing them as of March 31, and completely liquidating on June 30.

WHEN LIQUIDATION IS PLANNED

The CHAIRMAN. Well, if you are allowed to carry through to June 30, is it your intention to liquidate finally and completely by June 30?

Mr. HOUSTON. It is our intention to carry on the functions which we are now performing up through June 30 provided the Congress passes legislation in connection with the Second War Powers Act which will enable certain controls to be carried on in connection with world short materials. Also, to carry on in connection with the veterans' emergency housing program our construction limitation order and our priorities assistance in the production of critical building materials.

VETERANS' EMERGENCY HOUSING PROGRAM

Beyond June 30, our activities will depend, to a large extent, on whether the veterans' emergency housing program regulations are continued beyond that date. I do not know what the Housing Expediter's views are on that at the moment. I would say that it looks as though some of those functions probably are going to have to continue beyond June 30.

LETTER FROM HOUSING EXPEDITER

General FLEMING. At this time, I might read to you a letter to me from the Housing Expediter on that particular bill.

In discussing the subject bill with John C. Houston, Jr., Commissioner of Civilian Production, this morning he informs me that if the subject bill is passed in its present form that it will be necessary for the Civilian Production Administration to discontinue on March 31 all activities presently carried on by the CPA for the benefit of the veterans' emergency-housing program. This includes the entire administration of the construction limitation order, VHP-1, and also the granting of formal and informal assistance to producers of critical building materials urgently required for the housing program. It also means the discontinuance of CPA activities in connection with premium payments to producers of critical building materials.

As you are aware, this course of action would mean the virtual abandonment of the housing program, and I would like to support with every power at my command your position in opposition to the recommendations contained in the subject bill because I think it would be tragic if the Government is forced to discontinue the plans which are under way to provide at least 1,000,000 houses during 1947.

Sincerely,

FRANK R. CREEDON, *Housing Expediter.*

DISCONTINUANCE OF VETERANS' PROGRAM

Senator FERGUSON. General, right there, why do you say that the minute Congress wants to cut off part of your appropriation, you want to eliminate veterans? Why can you not eliminate someone else and keep the veterans' program? Why is it just the veteran?

General FLEMING. I did not say just the veterans.

Senator FERGUSON. Did you not say that there?

General FLEMING. This is a letter from Mr. Creedon to me whose only interest is in the veterans' program.

Senator FERGUSON. Does the Administrator or Expediter assign certain work to you?

General FLEMING. Yes, sir.

Senator FERGUSON. We found that the OPA is assigned certain work in connection with veterans.

General FLEMING. The Expediter assigns both to CPA and OPA.

Senator FERGUSON. Yes. But then he says if we cut out your appropriation; is that right?

General FLEMING. He says if we stop our activities.

Senator FERGUSON. Why would you immediately cut off the veterans' activities if you are cut?

General FLEMING. I would have to have money provided from some other source to do this work, or he would have to himself.

PERSONNEL IN CPA ASSIGNED TO VETERANS' HOUSING WORK

Senator BROOKS. How many men do you have in CPA assigned to veterans?

Mr. HOUSTON. We have approximately 2,000 people on our pay roll who are working on activities in connection with the housing program.

VETERANS' HOUSING PERSONNEL THAT WOULD BE CUT OFF UNDER HOUSE ACTION

Senator FERGUSON. Do I understand, then, that if we cut this appropriation as the House has, that you will immediately get rid of your 2,000 people on veterans?

Mr. HOUSTON. We will be down to approximately——

Senator FERGUSON. No. Can you answer that question? Is that what you intend to do if this goes through the way the House cut it?

Mr. HOUSTON. We would have no other choice.

Senator FERGUSON. You would get rid of the 2,000 employees for veterans?

Mr. HOUSTON. We would have to get rid of our housing activities; yes.

Senator FERGUSON. That is 2,000. How many would you retain on the pay roll?

Mr. HOUSTON. We would have an average of 700 people left on the pay roll after March 31.

REASON FOR DISCONTINUING VETERANS' ACTIVITIES

Senator FERGUSON. All right. Why do you discharge all of the veteran activities when they cut you down and keep 700 for your other activities?

Mr. HOUSTON. Because our largest activity is in connection with the housing program. Our field offices are devoted almost exclusively to the Veterans' Housing Program. If we are forced to reduce our employment to some 700 people we could not handle this construction limitation order. With this severe cut in the number of people we could not retain the offices we have in the field and would not be able to handle the number of applications which come in, and the number of compliance cases which we have coming in.

NATURE OF WORK PERFORMED FOR VETERANS

Senator FERGUSON. What do you do for the veterans? What is your program in your field offices?

Mr. HOUSTON. Our field offices have two primary activities. One is the administration of the construction limitation order which prohibits nonhousing construction and permits the approval of only that type of nonhousing construction which is essential and nondeferrable. The construction which is going forward has to be approved first on a CPA application. Our field offices handle all of those applications which come in.

PERSONNEL AFTER MARCH 31, 1947, WOULD BE IN WASHINGTON, D. C., OFFICE

Senator FERGUSON. So, would your 700 people be doing that in these field offices when you took the veteran work away from them?

Mr. HOUSTON. The 700 people which we would have left after March 31 would not be in the field offices. They would be in our Washington office.

Senator FERGUSON. 700 of them here?

Mr. HOUSTON. 700; that is right.

Senator FERGUSON. Then we might as well close down the whole thing, if we take off the veteran program. We might as well take off all the money and just close it down.

CONTINUED NEED FOR PERSONNEL IN CONNECTION WITH CRITICALLY SHORT
MATERIALS

Mr. HOUSTON. We would still have certain activities in Washington in connection with the critically short materials, such as tin, rubber, and antimony, and hard cordage fibers.

Senator FERGUSON. You claim you need 700 people for that program alone?

OTHER PROGRAMS ON WHICH REMAINING PERSONNEL WOULD BE USED

Mr. HOUSTON. Not for that program alone. In addition to that program, we have certain statutory obligations under the Tax Amortization Act, the Requisitioning Act, and two or three other similar wartime acts where we are handling the remaining Government obligations. In addition to that, we would need a certain number of people for the disposal of property and records, and winding up the affairs of the organization.

QUESTION OF TIME FOR FINAL LIQUIDATION OF OPA AND CPA

Senator McKELLAR. When do you think we will wind up the organization of OPA and CPA and sugar and rice? When will we get through? Are we ever going to get through with it?

General FLEMING. I directed that the CPA be placed in the status of liquidation to be liquidated by the end of this calendar year.

Senator McKELLAR. Well, hurrah for you. I take off my hat to you. You want to close it on the 1st of June; is that the idea?

General FLEMING. No; on the 31st of December.

Senator McKELLAR. The 31st of December. Well, I will say I gave you too much credit. When do you expect to get through with sugar and rice?

General FLEMING. As I say, I cannot answer that sugar question. I would rather have the Department of Agriculture answer that.

Senator CORDON. May I ask a question, Mr. Chairman?

The CHAIRMAN. Senator Cordon.

CPA TO BE TERMINATED AT END OF CALENDAR YEAR 1947

Senator CORDON. Do I understand, General Fleming, you have directed that the activities of CPA be concluded by the end of this year?

General FLEMING. This calendar year: yes, sir.

Senator CORDON. That would mean the completion and end of all priorities or allocation of building materials?

General FLEMING. Yes, sir.

Senator CORDON. So that, as we have it now, if we provide this money for the critical housing shortage, it will be for the balance of this year, and then only the beginning of next year and the controls will be off, anyway?

General FLEMING. The controls will be off. I think we will be in a long supply by that time, and we will not need controls. I think that the supply of things going into buildings will be in far better shape by then, by the end of the year, and we can take controls off and still get the same amount of housing.

Senator CORDON. You do not, of course, except the supply to come into long demand by one sudden jump on that day?

General FLEMING. No, sir.

Senator CORDON. You expect the supply to slowly increase over the months from now until the end of the year and then to have full supply?

General FLEMING. I think we will have practically full supply then.

Senator CORDON. So that the necessity for controls will diminish as the supply increases?

General FLEMING. That is correct, sir.

Senator CORDON. But you plan on maintaining the same type of control in November, for instance, that you would have in June?

General FLEMING. We have taken off a good many controls already and we will take off individual controls as we go along. There will be a constant lessening in personnel.

RATE AT WHICH PERSONNEL WILL BE DROPPED

Senator CORDON. Have you any figures that you can submit to us that would indicate the rate at which you will drop employees and activities as the months go by for this year?

General FLEMING. We can supply you with that; yes, Senator.

Mr. HOUSTON. I can give you that information for the first half of this year. As of January 1, we had 3,476 employees, on April 1, our projected employment is 3,000, and on July 1, 2,500.

PERSONNEL ON HOUSING ACTIVITIES

Now, running through those employee figures, there are approximately 2,000 who are on housing activities. In other words, our housing activity remains at approximately the same level during the first half of the year, but our other activities are declining rather rapidly.

ACTIVITIES THAT ARE DECLINING

Senator CORDON. What are your other activities that are declining?

Mr. HOUSTON. Our other activities are the controls over critical materials for general reconversion problems. Our activities in connection with the statutory obligations that I have already mentioned and our activities in connection with the disposal of records and property and in connection with our project for preserving a record of what the War Production Board did in the way of industrial mobilization.

REDUCTION IN PERSONNEL

Senator CORDON. Then, your answer to me to the question is not "Yes" but "No"? I asked you if you were going to reduce your personnel in connection with your control of materials in the housing field

as supplies increased. I understood you to say that you were. Now, the reduction that you are making is a reduction in connection with those who will take care of the disposal of your records, control of materials, and so forth, and you maintain your 2,000 people in connection with housing at that level of 2,000 to the end of this year; is that correct?

Mr. HOUSTON. To the end of the fiscal year and that is June 30. After June 30, the decline in our activity will depend on how much the supply of critical building materials is increasing and coming up to meet the demands for those materials.

And after June 30, with the rate at which production is going right now, I am sure that there will be a very sharp decline in the people which we will need in the housing activities through the last half of the year. However, we have not projected the figures as yet.

Senator CORDON. Can we reasonably hope that if you begin the last half of this calendar year with 2,000 employees in that field that you will reduce that down to a handful by the end of the year?

Mr. HOUSTON. I think there is no question about that.

Senator CORDON. Have you set up your figures on that basis?

Mr. HOUSTON. We have already issued a liquidation order which requires us to get down to a mere handful of people by December 31 of this year.

Senator CORDON. But my question does not go to that matter. My question is that in setting up your estimates for money to pay employees of your organization, have you set that up on the basis of retiring that employment month by month, instead of maintaining a level figure for the total employment for the full year?

Mr. HOUSTON. We have not as yet put in any request for money beyond June 30. When that request is submitted, whether it is submitted by our agency or by the Housing Expediter, it will, I am certain, be on a very severely declining scale.

Senator CORDON. But there is no decline estimated between now and July for which this deficiency is asked except that which you gave me of a reduction from 3,476 on January 1 to 3,000 on April 1, and then a reduction of 500, leaving 2,500 as of the 30th day of June.

Mr. HOUSTON. That is correct.

Senator CORDON. That is the limit of the reductions?

Mr. HOUSTON. That is correct.

PERSONNEL OF CPA

Senator McKELLAR. General Fleming, may I ask you this question: You have now 13,954 in this outfit?

General FLEMING. That is in the OPA, Senator.

Senator McKELLAR. Just the OPA?

General FLEMING. We are talking about the CPA now.

Senator McKELLAR. What is the personnel of CPA?

Mr. HOUSTON. 3,476 on the first of January, and it will be 3,000 by the 1st of April, and 2,500 by July 1.

The CHAIRMAN. Senator Ferguson?

Senator FERGUSON. Yes, sir.

QUESTIONS AS TO 1948 FISCAL YEAR FUNDS FOR CPA

Do I understand you have not put any sum in the new budget at all?
Mr. HOUSTON. That is correct.

Senator FERGUSON. But you anticipate to set something up?

General FLEMING. We do not know whether the Second War Powers Act controls, which expire on the 30th of June, will be extended. It all depends on that. If there is no extension of the Second War Powers Act, then our power ceases.

Senator CORDON. Not your power to control under the authority granted by the Expediter in the housing field.

General FLEMING. That is right. That is good until the 31st of December.

Senator FERGUSON. Did he put it in his budget?

Mr. HOUSTON. No.

Senator FERGUSON. Do we anticipate many new requests will come in over and above the \$37,500,000,000?

Mr. HOUSTON. Our request will depend on whether the construction limitation order is to be continued beyond June 30 or not. In other words, if the decision is made to discontinue that order, it will mean that most if not all of our 2,000 people can be terminated after June 30.

PERSONNEL ENGAGED IN WRITING OF HISTORY OF WAR PRODUCTION BOARD

Senator FERGUSON. How many people have you in this history-writing department in which you are going to write the history of the WPB?

Mr. HOUSTON. Approximately 220.

Senator FERGUSON. 220. How long have you had 220 people employed in writing the history of the WPB?

Mr. HOUSTON. I think Mr. Novick can probably answer that.

Mr. NOVICK. That number has been engaged in compiling the record, preparing the records that have been accumulated by the WPB during the war, and actually writing the history. The number of 220 have been on the job for about 1 year.

Senator FERGUSON. We have had 220 people for about a year writing the history of WPB; is that correct?

Mr. NOVICK. They have been preparing the records so that they can write it.

Senator FERGUSON. So that they can write a history?

Mr. NOVICK. There are 30 miles of records.

Senator FERGUSON. Yes.

Mr. NOVICK. That is involved in this project. They must be sorted and classified and otherwise arranged before the history can be drawn from them.

Senator FERGUSON. Did they not complete their records and keep them in shape to write a history while they were going along? I find here in the record quite a number of historians listed. What were their jobs?

Mr. NOVICK. In the WPB?

Senator FERGUSON. Yes. And in the OPA and all branches they have these historians.

HISTORY PROGRAM IN WAR AGENCIES

Mr. NOVICK. Based on the experience we had in 1939, 1940, and 1941, trying to find out what had transpired in World War I, the President, early in 1942, established a history program in each of the war agencies. WPB was particularly conscious of its obligations in that respect, because it knew it had wasted many thousands of man-years and many millions of dollars in trying to get this job started.

We tried to recruit, as early as 1942, the people we could expect to do the job. We issued instructions for standard classification of files, et cetera.

In the pressures of war, history seems extremely unrealistic, as the result of which we could not keep competent people on the job. We could not enforce our regulations, and the history was written in a rather haphazard way.

EFFORTS TO PREPARE HISTORY OF WPB

When the WPB started to liquidate in September of 1945, after VJ-day, the responsibility for the delineation of this activity became clearer to people, and some effort was made to put the house in order. We tried to use the operating officials in the WPB Divisions who had been responsible for this job, and that job. We wanted them to prepare the history of what the divisions had done.

We found three different reactions.

First, that they had, as individuals, won the war in whatever little activity they had engaged in.

Second, that they were not capable of organizing material in an objective or even a systematic fashion.

Or, third, that they were either indifferent to or unaware of the importance of the task.

The result was that for about 6 months we had a lot of people around passing papers, but got little that was worth while in the sense of history.

As a result, in January of 1946 we made this a strictly professional history program. We have now developed a three-volume major work of history on industrial mobilization. The first volume is a 1,000-page book which is now at the Government Printing Office.

Senator FERGUSON. That is the first volume?

Mr. NOVICK. That is the first volume.

Senator FERGUSON. Will the other two volumes be as large?

Mr. NOVICK. The second will be practically as large. That will cover aluminum, magnesium, machine tools, expansion for the ordnance program, and other materials and products.

The third volume will relate to reconversion and the history of the CPA. It will be substantially smaller.

PREPARATION AND PUBLICATION OF MONOGRAPHS

We have, in addition, already completed and published 24 monographs, ranging from subjects such as the aluminum program to the

activities of industry and labor advisory committees, and we have in projection at this time an additional 35 monographs.

Senator FERGUSON. Who is down there now that knows actually what went on; who is going to be able to read this history and know whether it is correct history?

HISTORY ADVISORY COMMITTEE

Mr. NOVICK. We have a History Advisory Committee, which includes such gentlemen as Donald M. Nelson, E. R. Stettinius, Jr., James S. Knowlson, and a number of gentlemen whose names you know and recognize. They are surprisingly active in the review of work in which they have participated.

For example, in connection with the aluminum study, which was released about 4 months ago, we had correspondence from Mr. Arthur H. Bunker, one of the senior partners in Lehman Bros., and various people; Sam Anderson, a partner in Lehman Bros, the Aluminum Corp. of America, and Marion Folsom, of the Eastman Kodak Co. I am continually amazed at the extent to which these men not only read this material but write lengthy letters referring to parts where they either want to supplement or correct the record.

Senator FERGUSON. Are you the chief historian?

Mr. NOVICK. No; that work comes under my direction, and I happened to start to work in this area in 1939, and therefore have a rather strong feeling on the subject.

ESTIMATED COST OF HISTORY OF WPB

Senator FERGUSON. Have you any idea what this history will cost and when it will be completed?

Mr. NOVICK. I would guess it would cost, starting in 1942, probably something over \$2,000,000, and it will be completed, I would say, by June 30, 1948.

Senator FERGUSON. June 30, 1948?

Mr. NOVICK. The record will not even be available——

PERSONNEL THAT WILL BE REQUIRED IN FISCAL YEAR 1947 FOR HISTORY WORK

Senator FERGUSON. What is in the new budget for this history? How much money?

Mr. NOVICK. If we formulate a budget it will be for approximately 100 people who will be in the history work. That means not only history writing, but the preparation of the records, and do not forget there are 30 miles of records.

The CHAIRMAN. Is that already in the Budget?

Mr. NOVICK. For next year?

The CHAIRMAN. Yes.

Mr. NOVICK. You are not acting on next year's budget?

Senator FERGUSON. No, but we are trying to get some information.

Mr. HOUSTON. No, it is not, and we have not submitted a budget for next year to cover that activity.

Senator FERGUSON. Then, do we understand that you are going to come in and ask for more money in the so-called 1948 budget where

the expenditures to date of \$37,500,000,000? You are going to ask for historians to be continued into 1948?

Mr. HOUSTON. Yes, sir.

Senator FERGUSON. Why were they not put in the Budget when it was sent up here?

Mr. NOVICK. This will only be submitted if the President approves the continuation of this project.

Senator FERGUSON. Do I understand, then, that this \$2,000,000 will be wasted if the President does not continue this project? You have got the history part way along and how many miles of record is it? 30?

Mr. NOVICK. 30 miles.

Senator FERGUSON. If he does not continue it, that \$2,000,000 is lost?

Mr. NOVICK. Not all of it.

Senator FERGUSON. What part of it?

Mr. NOVICK. There will be a significant salvage value, but I would say the additional expenditures was well warranted.

Senator FERGUSON. Would you say the salvage was in the paper?

Mr. NOVICK. Perhaps, at these prices.

Senator BROOKS. How many miles are you along on it now?

Mr. NOVICK. About 15.

Senator CORDON. May I ask you, as a whole, are you using the same historians now you found failed you before?

Mr. NOVICK. No. To the extent that they were professional people on the job in the earlier stages, they in general have remained in the job. Except in those cases where we found we had not picked very good historians.

Senator CORDON. I hope you include a chapter in that history dealing with the unreliability of history while it is being made.

QUESTION AS TO 1948 ITEMS NOT INCLUDED IN 1948 BUDGET

The CHAIRMAN. The point raised by Senator Ferguson is an important point, not in this particular hearing, but in the over-all picture.

Two items we have discovered today here which may be in the next year's budget which are not included in the \$37,500,000,000 expenditure budget submitted by the President.

In the first public hearings which we have had before this committee, we discovered two items that you will have to come in with that are beyond the \$37,500,000,000. This is a sample. This is not an accurate picture, not an accurate budget.

Senator RUSSELL. I think it should be said, Mr. Chairman, and of course I have not studied it as closely as you have, but as a rule, the President does anticipate some amount will be included in the over-all that will be asked for in the deficiency. I know your committee, in making a report, anticipated \$250,000,000 not covered by any department.

The CHAIRMAN. The President only anticipated \$25,000,000 in his. Senator RUSSELL. \$25,000,000.

Senator TYDINGS. I think it is a pretty safe conclusion that if it is not in the original budget that the work will not be undertaken unless Congress authorizes it.

Mr. HOUSTON. The matter we are discussing here has been talked over with the Bureau of the Budget, and in view of the many uncertainties in connection with the future of our activities, it was decided that they would include whatever estimate was needed after our activities were a little further clarified, in the fourth deficiency estimate.

The CHAIRMAN. Senator Russell, do you have some questions?

CONTROL OVER NITROGEN

Senator RUSSELL. Yes, sir. Mr. Houston, I was interested in your naming commodities in short supply. You mentioned tin and antimony and several others, but you did not mention nitrogen. Nitrogen for fertilizers.

Mr. HOUSTON. We have not requested any controls over fertilizers for the coming year.

Senator RUSSELL. But you are exercising controls at the present time.

Mr. HOUSTON. We will have exercised the controls over potash only, up until the last week or so.

EXPORTATION OF NITROGEN

Senator RUSSELL. Who is assuming the controls then over the nitrogen in this country? I understood that the Civilian Production Administration had set aside large quantities of nitrate that had been manufactured by the Tennessee Valley Authority for export shipment.

Mr. HOUSTON. We do not have any over-all controls affecting nitrogen. There have been some allocations made for export of fertilizers.

Senator RUSSELL. What more complete control could have exercise than to take out of a shortage a large percentage of it for export? For control, it seems to me you could exercise that.

RESPONSIBILITY FOR EXERCISE OF EXPORT CONTROLS

Mr. Houston. As far as export controls are concerned, it is a joint responsibility of the Office of International Trade of the Department of Commerce and the Civilian Production Administration.

Senator RUSSELL. You are exercising the statutory authority, are you not, under the War Powers Act?

Mr. HOUSTON. It is really a joint control because there is an Export Control Act under which the Office of International Trade operates and there is also the control which we have in implementing what is determined as necessary for export. In other words, the Office of International Trade working with the State Department determines that certain things are necessary in connection with export obligations.

Senator McKELLAR. Just one minute. Do you approve of sending nitrates out of the country when we have a short supply of them?

Mr. HOUSTON. If it is determined by the Department of State and the Office of International Trade that certain exports are necessary in connection with our international commitments, then, if they cannot obtain those without assistance, they come to us and request that we use our allocation authority to help them get that material for export, and that is where we enter into the picture.

Senator RUSSELL. Do you mean that this international trade organization and the State Department then are handling the allocation of nitrogenous fertilizers in the United States?

Mr. HOUSTON. They gather requirements of foreign nations and submit them.

EXPORTATION OF NITRATES

Senator RUSSELL. I am talking about who gathers the requirements of the American farmer. What I have in mind specifically is the fact that the War Department, as we all know, borrowed a great many nitrates from the producing agencies in the United States, including the Tennessee Valley Authority. Now that the Tennessee Valley Authority has received repayment of 23,000 tons in one deal, which I have heard of, and that was a report from the Tennessee Valley Authority, someone has fixed an allocation on that repayment, so the farmers of the United States are not only losing production that should have gone to them in the first instance that was loaned to the War Department but are now being denied the nitrates that were supposed to be repaid and devoted for the use of the farmers in the United States. People here that know nothing whatever about agriculture in this country are determining how much fertilizer should be shipped out.

EXAMINATION OF FOREIGN INQUIREMENTS FOR NITRATES

Mr. HOUSTON. No. Those requirements are examined by the Department of Agriculture as well as by the Department of State and by the Office of International Trade, and the needs in this country are taken into account, and they are set against the minimum requirements in foreign countries.

Senator RUSSELL. Who does the weighing of that, Mr. Houston?

Mr. HOUSTON. That is done, I think, in connection with fertilizers by a special committee. There has been a committee concerned with fertilizers in addition to an export policy committee set up by OWMR in the office of the Secretary of Commerce.

(With reference to this matter the following statement was submitted:)

The special fertilizer subcommittee of the Committee on Agriculture of the House of Representatives held a hearing on January 31, 1947, at which representatives of the CPA as well as representatives of the other interested Government agencies testified concerning the problems connected with fertilizer supplies for 1947.

Briefly, the situation is this: The United States Government is a member of the International Emergency Food Council, being represented thereon by an official of the Department of Agriculture. This representative consults with the CPA, OIT, State Department, and other interested Government agencies with respect to the problems which come before the Council. The Council, after thorough consideration of all aspects of the world fertilizer situation, recommends a program covering the international trade in these commodities, including a recommendation as to the quantities of fertilizer materials which should be exported from the United States to specified foreign countries. This program thus is compiled with the approval of the official United States representative from the Department of Agriculture, after our domestic needs and requirements had been fully taken into consideration, and it represents a program which this Government has committed itself to carry out.

The implementation of this program is primarily carried out by the OIT through the issuance of export licenses. Insofar as possible, procurement of these licensed quantities in this country is effected without the use of the priority ratings. In certain cases, however, it has been necessary for the CPA to

assist the implementation of this governmental program by issuing ratings for fertilizer. These ratings are in every case issued on the recommendation of the OIT and the State Department and after CPA officials have determined * * * that the specific shipment falls within the general program adopted by the Emergency Food Council. CPA officials likewise attempt to secure an equitable distribution of these requirements as between the various producers.

A detailed discussion of the figures involved in this export program was given to the House subcommittee and is available in the published transcript of that hearing. Briefly, however, it may be said that the total supply of nitrogen available (in terms of nitrogenous content) in this country for the years 1946-47 is estimated at 793,000 tons, of which 201,000 tons is imported. Our export quota is 67,000 tons, which is approximately a 10-percent reduction from the export commitment of last year; our exports roughly amount, therefore, to one-third of our imports of nitrogen. This 67,000 tons is the outside figure of material which will be exported from this country, although it should be noted that it does not include the export program of the War Department. It may also be noted that our domestic consumption last year was approximately 702,000 tons, as compared with the average 1935-39 consumption of 371,000 tons. Our exports this year represent a smaller percentage of our total available supply than did our exports during the prewar years.

Senator RUSSELL. Who is the head of the Office of International Trade, do you recall? I do not know. I am merely asking for information.

Mr. HOUSTON. I am sorry. I do not know. Arthur Paul used to be, and he has been succeeded. I have forgotten the name of the man who succeeded him.

The head of the Office of International Trade is Thomas Blaisdell.

The reason I am not quite clear on this is that it seems to me in addition to the Export Policy Committee, that there has been, up until the first of this year, a Fertilizer Committee headed in the Department of Agriculture, and that the Export Policy Committee took their recommendations from that Fertilizer Committee. And after that determination is made, they come to us if they cannot obtain the material which it has been determined should be exported, and we issue priorities on it, where necessary.

Senator RUSSELL. You do not use your own judgment, then. You depend on the judgment of some committee here that you do not even know who is the head of it.

Mr. HOUSTON. On some of the products which are out of our field, such as fertilizer, yes.

NEED FOR FERTILIZER IN THE UNITED STATES

Senator RUSSELL. I want to say this: I think that is an awfully poor method of handling things. I happen to have been in Europe since this war. I have not been to Asia, but I feel great compunction for those people. I have seen poor old people plowing with a cow and a mule, but I think it is absolutely inexcusable the way this nitrogenous fertilizer thing has been handled by someone somewhere, without warning the farmers at all to let them go ahead all up and down the Atlantic seaboard and plant grain crops when you cannot possibly produce grain in that area, except with a great loss, without nitrogen.

I have here a letter that is typical, from my State, a little county,

Talbot County, where this man had to send out a multigraphed notice to all of his customers. It reads:

We were notified this morning by the Ford Motor Co. from whom we had bought 100 tons sulfate of ammonia that it would be impossible to fill our order or any part because the Government is requisitioning it for export.

Then he says how sorry he is. That is dated February 16.

These people have their grain crops in the ground. They have made investment in money and labor in getting it planted and are now being told that some agency of the Government has seized all of the fertilizers to ship them overseas. The people overseas should be helped, but you should not inflict this loss on the people in our country.

HANDLING OF EXPORTATION OF NITRATES

Certainly, a matter this vital to the life and livelihood of thousands or perhaps millions of farmers in this country should have been handled in a more exhaustive detail than this apparently was.

Mr. HOUSTON. I think that there is unquestionably a very good presentation which can be made in connection with this fertilizer allocation. Unfortunately, it is not one of the fields in which I am particularly well versed.

Senator RUSSELL. The report I got from the Tennessee Valley Authority, when I inquired about the 23,000 tons of nitrate borrowed and returned, said that under an order issued by the Civilian Production Administration this was done. That did not mention all of this International Trade Agreement organization or the State Department. They said the Civilian Production Administration had issued the order that denied that 23,000 tons of nitrate to the farmers of the United States.

Mr. HOUSTON. It is quite possible that it was an allocation made by the Civilian Production Administration, but, as I say, it would only have been made after a very exhaustive study of the whole problem by all of the Government agencies involved. It would be the Department of State, the Department of Agriculture, and the Department of Commerce as well as ourselves.

Senator McKELLAR. Who is in charge in each department? What officer is in charge in each department? A department is a very general term.

Mr. HOUSTON. There are specific people. In the Department of State, it comes under Mr. Donald Kennedy.

In the Department of Agriculture, most of our dealings have been with Mr. Taylor.

In the Department of Commerce, with Mr. F. E. McIntyre.

Senator BROOKS. When they come to you, you just assume that they have made an exhaustive search, do you not?

Mr. HOUSTON. No, we do not. We go over pretty carefully what they have done to make certain that the figures are rock bottom in the opinion of our people.

QUESTION AS TO EMPLOYEES IN CPA FAMILIAR WITH NEED OF AMERICAN
FARMERS FOR NITRATES

Senator RUSSELL. Whom do you have in your organization that knows anything about the need of farmers in this country for nitrates?

Mr. HOUSTON. We have people in our Chemical Division who are quite familiar with the nitrogen picture.

Senator McKELLAR. Who are they?

Mr. HOUSTON. We have Mr. Frank Bennett, and his assistant, Mr. Fred Arden.

Senator RUSSELL. That is the Chemical Division?

Mr. HOUSTON. That is right.

Senator RUSSELL. That is more in the manufacturing? Are they familiar with the manufacture, or what do they know of the needs of the country?

Mr. HOUSTON. They are primarily familiar with the manufacturing process.

Senator RUSSELL. That is what I thought.

Mr. HOUSTON. That is right.

Senator BROOKS. Are there any other questions?

FUNCTIONS OF CPA IN VETERANS' HOUSING PROGRAM

Senator CORDON. Mr. Chairman, there is one other matter and I will be through.

Referring now to the CPA and its activities in the housing field, if I understand you correctly, your activities there are in two categories, roughly; that of enforcing restrictions on nonresidential construction, limiting that to cases of necessity.

Mr. HOUSTON. That is right.

Senator CORDON. And second, handling premium payments to induce production.

Mr. HOUSTON. No. Let me say I think our activities divide into two major categories. One, the construction limitation order; second, increasing the production of critical building materials.

Senator CORDON. How?

Mr. HOUSTON. Through the issuance, where necessary, of priorities to the producers of those items to obtain their raw materials or to obtain capital equipment which is necessary in their plants. Through the Administration, as you mentioned, of the premium price plans, which are primarily a Housing Expediter responsibility as far as determining whether there are plans. Then we do what you might call paper work in connection with those.

EXPIRATION OF LUMBER PREMIUM PLANS

Senator CORDON. It has come to my attention that you had some premiums of some types of lumber which you have removed. On construction lumber in the West in the softwoods. On hardwoods for flooring in the South. As far as I know, you have no premiums of any kind now applying to lumber; is that correct?

Mr. HOUSTON. I think all of the lumber premium payment plans have expired.

DATA REQUESTED ON FUNCTIONS OF CPA IN VETERANS' HOUSING PROGRAM

Senator CORDON. I would like to have you put in the record a list of the premium payments that have not expired. I would like to know just what place in importance that particular segment of your activity takes. Incidentally, roughly, the number of people that are employed by you in handling that matter. That goes as to the premium payments. What type of construction material or accessories to building are included. The number of people employed in that field.

Then the same thing with reference to increasing of production of critical construction material. It is in these three fields, if I understand you, that the 2,000 people are being used by CPA at this time?

Mr. HOUSTON. That is right.

Senator CORDON. I would like to have that information in as comprehensive a detail as you can give it.

Mr. HOUSTON. We will do that.

(The information is as follows:)

FUNCTIONS OF THE CIVILIAN PRODUCTION ADMINISTRATION IN SUPPORT OF THE VETERANS' EMERGENCY HOUSING PROGRAM

Operations performed by the Civilian Production Administration are the core of the veterans' housing program. Basically the housing program is one of producing building materials and seeing that they are used only for housing or other essential construction and doing this with the least interference to the operations of our economy.

By direction of the Housing Expediter the Civilian Production Administration performs the following functions in support of the veterans' emergency housing program:

1. Limitation of nonhousing construction:

Administers veterans' housing program order No. 1 which curtails nonhousing construction, by requiring authorization for construction of other than nonhousing projects. Because understanding and consideration of local problems is essential to the intelligent administration of these controls 71 district offices and 10 regional offices are maintained. Each of the offices is assisted in determining the essentiality of nonhousing construction by a district construction committee composed of outstanding local citizens who serve without compensation and in whom the community has full confidence.

Number of per annum employees required

Administration	880
Compliance investigation	670

2. Expediting production of building materials:

(a) Priority and informal assistance: Assistance is rendered to the building material industry to expedite production of building material in critically short supply by issuing priority assistance to the building materials producer to obtain needed raw materials and equipment; assistance and advice in obtaining sources of supply; assistance and advice on actual plant production problems and assistance by supplying information on specific materials as to both total demand and specific area demand.

Administration	328
Compliance investigation	25

(b) Premium payments: Administration of the Housing Expediter's premium payment regulations also assists in expediting production of critically short building materials by providing direct financial assistance to facilitate the competitive operation of high cost plants and overtime operations. In administering these plans CPA performs the following functions for the Housing Expediter:

- (1) Advises on practicability and necessity of plans.
- (2) Establishes or reviews individual quotas for each participating plant.
- (3) Audits production records of each participating plant. (This includes production on which quotas are based as well as current monthly production on which premiums are paid.)

*Number of per annum
employees required*

Administration	17
Compliance investigation	125

There follows a list of the premium payment plans currently in effect together with their scheduled termination date:

Number and title:	Scheduled terminations, 1947
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EPPR-1: Structural clay products	Feb. 28
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EPPR-4: Standing timber	Mar. 31
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EPPR-8: Cast-iron soil pipe	June 30
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EPPR-9: Pig iron	Do.
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EPPR-10: Sand-lime brick	Feb. 28
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EPPR-11: Housing nails	Mar. 31
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Administration	1, 225
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Compliance investigation	820
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Total	2, 045
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NOTE.—Five premium payment plans have already been discontinued. No new plans are contemplated.

Senator BROOKS. Any other questions?

Senator CORDON. That is all.

PREMIUM PAYMENTS ON NAILS

Senator FERGUSON. Do you have premium payments on nails at this time?

Mr. HOUSTON. Yes.

Senator FERGUSON. Do you know what it is per month?

Mr. HOUSTON. Offhand, I do not know, but I think we can get that for you.

(The information is as follows:)

EMERGENCY PREMIUM PAYMENT REGULATION NO. 11 ON HOUSING NAILS

Duration of plan: October 1, 1946, to March 31, 1947.

Actual production: July to September 1946, 180,000 tons per quarter.

Quota: 58,000 tons per month.

Premium rate:

A. \$20 per ton in excess of monthly rate.

B. \$7.50 per ton delivered to nonintegrated producer.

Actual payment of premiums to Jan. 31, 1947¹

Production for month of—	Premium rate	Number of claims	Production over quota	Payments
October 1946	A	17	10, 929	\$218, 580.00
November 1946	A	14	10, 033	200, 660.00
November 1946	B	4	1, 413	10, 597.50
December 1946	A	9	6, 081	121, 620.00
December 1946	B	2	946	7, 095.00
Total				558, 552.50

¹ Data supplied by Reconstruction Finance Corporation.

.QUESTION AS TO AMOUNT OF PREMIUM PAYMENT FUND USED TO DATE

Senator FERGUSON. Do you know how much has been spent of this \$4,400,000,000 of premium money up to date?

Mr. HOUSTON. No; I do not, because that money is the Housing Expediter's and we do not make the payments under it.

Senator FERGUSON. What do you do under it?

AUDITING OF PREMIUM PAYMENTS

Mr. HOUSTON. We audit the payments after they have been approved and paid by the RFC.

Senator FERGUSON. And the GAO comes along and audits again?

Mr. HOUSTON. No; the GAO does not audit any claims in the field. That is, in the actual plants of the manufacturers. We go right into the plants and audit the production records which are the basis for the payments. The GAO would audit the RFC activities.

Senator FERGUSON. Are you under the RFC?

Mr. HOUSTON. No.

Senator FERGUSON. You are not a Government corporation?

Mr. HOUSTON. No.

Senator FERGUSON. How do you get into the picture? How can we trace these various agencies? We find your agency doing something for some of the others, and the others doing something for you. We find you auditing somebody else's books. How do you account for your auditing the Expediter's books?

Mr. HOUSTON. We do not audit the Expediter's books.

Senator FERGUSON. Whose books do you audit on these things?

Mr. HOUSTON. The individual manufacturer's.

Senator FERGUSON. Yes; for whom do you audit?

Mr. HOUSTON. For whom?

Senator FERGUSON. You have nothing to do with the money?

Mr. HOUSTON. Absolutely not.

Senator FERGUSON. Why do you audit? Why does not the Expediter audit it?

Mr. HOUSTON. That comes about because during the war and after the war in connection with priorities and the use of priorities by manufacturers, our compliance people have always gone in and audited manufacturers' accounts to make sure that the use of priorities was being carried out in the manner in which they were supposed to be used.

Senator FERGUSON. Is your agency the policing power of the Expediter, Housing Expediter?

Mr. HOUSTON. Yes. The Housing Expediter does not have—

Senator FERGUSON. Is that Executive order, or by statute?

Mr. HOUSTON. That comes about through the Patman Act, which permits the Housing Expediter to use any other agency.

Senator FERGUSON. To use any other agency?

Mr. HOUSTON. Yes; and instead of putting on a staff of auditors himself, since we had the compliance people who were going into the plants of manufacturers in connection with priorities and production, that we could do this activity without putting on a lot of new people to do it.

Senator FERGUSON. As I understand it, if we took off this sum, you would keep that going, the auditing, but you would cut off the veterans' part of the program?

Mr. HOUSTON. No; we could not keep the auditing, because we could not keep the compliance activity going in connection with the housing program.

Senator FERGUSON. You would keep the history going?

Mr. HOUSTON. We would have enough funds, probably, to keep some of the history going, but not enough for the housing program if history and everything else were stopped.

Senator FERGUSON. Yes; I see.

Senator BROOKS. If there are no further questions, do you have anything further you would like to present, General?

General FLEMING. No, sir.

Senator BROOKS. All right, we thank you, sir.

General FLEMING. Thank you.

Senator BROOKS. Congressman, will you state your name and proceed.

OFFICE OF PRICE ADMINISTRATION

STATEMENT OF HON. JACOB K. JAVITS, A REPRESENTATIVE IN CONGRESS FROM THE STATE OF NEW YORK

Representative JAVITS. Mr. Chairman, I am Jacob K. Javits, a member of Congress from the Twenty-first Congressional District of New York. I appreciate very much this opportunity to appear before the committee and also to express my appreciation to Senator Bridges, who is not here, for reassuring me that this is a perfectly appropriate way to proceed.

I am a new Congressman, so I need a little guidance.

Senator McKELLAR. What items were you interested in?

Representative JAVITS. I am interested in the OPA item, Senator.

QUESTION AS TO EFFECT OF HOUSE ACTION ON RENT CONTROLS

The impression has unfortunately been created that the action of the House with regard to the OPA deficiency appropriation (and the action of the Senate, if it coincides with that) would terminate rent controls in an indirect way by eliminating the agency which is enforcing them through the withholding of adequate funds to administer the rent-control program. I thought in view of the fact that I feel, and I am sure that the members of this committee feel, that the design of dealing with appropriations is to get the maximum economy in Government but the basic questions of legislative policy involved are determined by the act for which money is being appropriated; that the committee in the Senate might be somewhat aided by knowing just what took place in the House on this issue. The House did not proceed, in my own view, on any assumption that its action on H. R. 1968 would end rent control. The situation on the floor was this: During the debate on this particular measure, I asked the chairman of the

Appropriations Committee the following question. I read it from the record. It is very short.

Mr. Chairman, if the gentleman will yield further, do I understand the gentleman then to assure us—and the gentleman knows that I have very high regard for his assurance—that he is convinced that OPA can do the rent control job with the funds which will be available to it after the passage of this bill.

And the chairman of the Appropriations Committee answered:

I believe they can, if they do it honestly.

And in the same debate, the chairman of the Appropriations Committee was asked the following question, which bears upon the figure, incidentally, just stated to the committee:

Mr. CANNON of Missouri. How much does this leave the OPA after rescission of the \$9,000,000?

And the chairman of the Appropriations Committee answered:

About \$18,000,000, as I remember it.

And we find from the facts referred to before this committee, and according to figures appearing in a letter I received from the OPA, that the agency will be left about \$6,394,000 on March 1, 1947.

Now, there are two other significant facts in connection with how this thing has developed. Upon the bill being passed, a number of Members of the House who have talked with me voted for the bill on the theory that this rent control would be continued and that the Appropriations Committee was, as it should be, solicitous about economy and had acted in the interests of economy rather than with any design to terminate rent control.

Senator FERGUSON. Do you know that they cannot conduct rent control as efficiently as it has been in the past on the \$6,000,000?

Representative JAVITS. Senator Ferguson, unless what they are telling us is completely untrue, and I have it in writing, that is so. That is why I am here to speak with the committee on this subject. They cannot.

Senator CORDON. Did you say "can"?

Representative JAVITS. They cannot. Unless their whole presentation is something we can have no faith in.

Senator FERGUSON. Do I understand you are giving what they told us rather than the knowledge you have?

Representative JAVITS. Well, if the Senator will forgive me, I could not possibly have any knowledge other than the facts and figures that have been made available to me.

Senator FERGUSON. That is what I mean.

Representative JAVITS. I have the facts specifically in writing, and I cannot conceive that they are incorrectly stated.

Senator FERGUSON. We have those facts.

Representative JAVITS. There is one fact which they have not told you which I would like to refer to.

EXTRACTS FROM LETTER OF COMMISSIONER OF PRICE ADMINISTRATION AS
TO EFFECT OF HOUSE ACTION ON RENT CONTROL

When this bill passed the House, there was a very loud scream from the OPA that they would have to close up within 3 days. That

alarmed everybody, including my constituents, so I called the OPA on this point, and they made the following explanation in a letter which I should like to place before your committee for consideration. This letter was made a part of the record in the House yesterday.

This is from Mr. McCullough, Commissioner of the OPA.

He said:

I agree that you are entirely correct in stating that I failed to make our problem sufficiently clear to the House Appropriations Committee when I had an opportunity to testify to that body.

And another point of light on this subject comes in this respect: I asked the OPA specifically to state what would happen to them if they got no additional deficiency appropriations but if they were left as they are without a rescission. I heard them testify on that point this afternoon, but I think their specific statement to me as to just exactly what they would do on rent control might be of interest to this committee.

Mr. McCullough said as follows:

You also ask for information as to the effect of a congressional action which permitted OPA to use its present appropriations without rescission but which denied to the agency additional funds for this fiscal year. To the best of our ability to analyze that possibility, it would appear that we would have to discontinue sugar rationing entirely or discontinue rent control entirely. If we discontinued sugar rationing, it would still be necessary, assuming that we follow present Government policies with respect to liquidation and employee separation, to end rent control in more than 600 rent areas in the country, leaving rent control effective in perhaps the 19 or 20 largest metropolitan areas.

In other words, they would cut down their program by eliminating sugar rationing, and would concentrate on rent control, but only in the 19 or 20 largest metropolitan areas in the country.

Taking that together with what they said here today, they could, putting it in their own words, limp along until May 31.

NEED TO CONTINUE RENT CONTROL

If the committee will permit, I would like to state my own position on this. I believe we must and should maintain effective rent control in the interest of the people of the country who would suffer great hardship if rent control is snapped off, since this item represents 20 percent of the family budget. Elimination of rent control would cause a major personal calamity to the 75 or 80 thousand families that live in my district.

Senator CORDON. Is your district metropolitan?

Representative JAVITS. Metropolitan, in the upper part of Manhattan Island.

Senator FERGUSON. What date were your rents fixed?

Representative JAVITS. The rents were fixed in November 1943 as of March 1, 1943, sir.

Senator FERGUSON. We, in Michigan, have March 1, 1941.

Representative JAVITS. I think they used different dates there.

Senator CORDON. May I interrupt you to ask one question?

Representative JAVITS. By all means.

RENT CONTROL LAW IN NEW YORK STATE

Senator CORDON. Do you have any State legislation on the subject in New York?

Representative JAVITS. We do. We have a State law in New York. The State law will cover the situation as it exists when the State law comes into operation. That is, if there has been a Federal increase, the State will enforce that Federal increase when it takes over the enforcement of the rent-control program.

Senator FERGUSON. Also, if the Federal law passes out, the State will take it over.

Representative JAVITS. Exactly at the point at which it then stood—whatever it was.

And also the State does not regulate new housing. I think the rental situation has somewhat larger connotations even though we have a State law. It has connotations with respect to the whole economy of the country. Every citizen in every State does not want an inflationary spiral, and a great increase in the cost of living with labor troubles and other difficulties.

QUESTION AS TO FAIRNESS TO LANDLORD OF CONTINUING RENT CONTROL
BASED ON 1941

Senator FERGUSON. Do you think that the landlord should be the one person in America who has his income fixed as of the 1941 date?

Representative JAVITS. I think, Senator, that the landlords should be treated as fairly as the tenant.

Senator FERGUSON. The tenant, then, you speak about, his income is from business. He is in business or labor. His income is not regulated, but do you think it is fair to the landlord, to regulate the landlord alone?

Representative JAVITS. I think, sir, under the present system, the present condition of the country, and considering the size of the rental in the normal family budget, that although it may not be particularly good for the individual landlord, it is essential and fair to the country; and individual landlords can obtain relief from OPA for several reasons, particularly hardship. The landlord is not losing by that, Senator. He is getting now, on the average, about 125 percent of what he did get by way of rent from his property in our city in 1943.

Senator FERGUSON. Of course, you have a 1943 date.

Representative JAVITS. Well, I believe, Senator, that as far as the correction of inequities of the landlord situation is concerned, that does not collide with the need for enforcement of rent control. No matter what the ceiling is, even if you gave an across-the-board increase, which I am against, you would still have some ceiling for control.

My only point here, Senator, is this: Until the Congress takes new action on policy, it is only fair to the citizen that he shall have a continuing and effective administration to carry out existing policy until something else takes over.

Senator FERGUSON. Cannot Congress act by not appropriating? Is that not one way to act? Is that not an effective way to act?

Representative JAVITS. I think it is effective, but not fair to the citizen for this reason: It fails to present the particular issue for de-

bate upon which the Members of the House and Senate are entitled to be heard.

Senator FERGUSON. Of course, I cannot agree with you on that. I think if they cut off the whole budget for rent control, they have acted on this specific item.

Representative JAVITS. Take the situation in the House, Senator. I am a Member, and I voted. I voted in reliance upon the assurance that rent-control administration would continue, yet it will not if adequate funds are not provided.

Senator FERGUSON. Of course, the same thing could happen on a bill specifically on rent. You may misjudge it.

Representative JAVITS. No, sir. May I suggest why not. Here was a bulk appropriation bill with many items of which this was one. There was a consideration and question of business judgment as to whether there was enough money to carry an agency under that bill. Many members may have been voting for other features of the bill, and did. The whole concentration of the attention was not fixed on the issue of rent control, and it could not be when you are dealing with appropriations for many items.

Senator McKELLAR. Did you vote for or against the bill?

Representative JAVITS. I voted for it, sir, in reliance on the assurance that rent control could be continued with the appropriation provided for its administration in H. R. 1968.

Senator McKELLAR. Whose assurance did you rely on?

Representative JAVITS. On the assurance of the chairman of the Appropriations Committee.

Senator McKELLAR. On the assurance of the chairman of the Appropriations Committee.

CONTINUATION OF RENT CONTROL FAVORED

Let me ask you: Do you favor keeping this rent control?

Representative JAVITS. I do, sir.

Senator McKELLAR. Permanently in our system?

Representative JAVITS. I think rent control is essential for the country until such time as this housing shortage is resolved.

Senator McKELLAR. When is that? How long are you going to keep it?

NUMBER OF FAMILIES NEEDING HOMES

Representative JAVITS. I think if the Senator would tell me how long it would take to take care of the 2,000,000 families that need homes in the country and need them urgently, I could tell the Senator.

Senator FERGUSON. Do you believe that figure?

Representative JAVITS. Two million?

Senator FERGUSON. Yes. Have you any facts on which you can rely?

Representative JAVITS. I have these facts, sir, if it will be of help. In the city of New York, based on my own investigation, I am convinced that not less than 200,000 families need apartments urgently now.

Senator FERGUSON. Where are they living now?

Representative JAVITS. They are doubled up, primarily, with in-laws, and so on. I think the Senator is familiar with the housing situation in any big city. There is no question about there being a

housing shortage, and it still being a continuation of the war to that extent.

Senator McKELLAR. I see in Washington a great many advertisements that houses are for sale and for rent. Do you mean to say you think the people down here in Washington in Congress ought to fix rents for all the localities in the United States? Do you think we are better qualified than the people themselves who made the houses and the people themselves who own the houses?

Representative JAVITS. Senator, we cannot help it. We are in this situation because of the acute housing shortage. We do not like it, and we should not have to do it. We just cannot help it.

Senator McKELLAR. I do not agree with you at all. I think they know more about it than we do.

The CHAIRMAN. Thank you, Representative Javits.

Representative JAVITS. Thank you, sir.

The CHAIRMAN. General Bradley is the next witness.

General, will you tell us just what your position is here today and your request to this committee in light of the House recommendation?

VETERANS' ADMINISTRATION

STATEMENT OF GEN. OMAR N. BRADLEY, ADMINISTRATOR, VETERANS' ADMINISTRATION, ACCOMPANIED BY S. M. MOORE, BUDGET OFFICER, VETERANS' ADMINISTRATION, AND E. R. OVERTON, ASSISTANT BUDGET OFFICER, VETERANS' ADMINISTRATION, WASHINGTON, D. C.

FUNDS NEEDED TO OPERATE UNTIL MARCH 31, 1947

General BRADLEY. Yes, sir. Just at the close of the hearing before the House, which was not completed, the chairman asked us just how much money we needed to carry us in this salaries and expenses fund, up to the end of March.

We had asked for \$307,258,000 for the balance of the year. He wanted to complete the hearings before giving the total amount. So he asked just before the end of the hearing how much it would take to run until the end of March, so as to give him time to complete the hearings.

At that time, we did not have the January figures. We gave an estimate based on the first 6 months of the fiscal year, and told him we thought we could get along with \$135,000,000.

When the figures came in for January, it was considerably above the average, so that we would not have enough with the \$135,000,000 to run us through February and March. And that was the reason we requested \$30,000,000 additional for those 2 months.

Senator McKELLAR. How much would it take?

General BRADLEY. \$165,000,000 to run us for the 2 months, sir, instead of \$135,000,000.

The CHAIRMAN. In other words, what you are asking us to do is to raise the House figure \$30,000,000 to \$165,000,000 to run through March 31 as the result of the change due to the increased cost?

General BRADLEY. Yes, sir. The January figure was considerably above the previous 6 months because we took over some additional hospitals and some additional students, and so on. So our administrative cost went up considerably above the average.

OBJECTS OF EXPENDITURE OF FUNDS REQUESTED

The CHAIRMAN. For the purpose of the record, state specifically what these funds are to be used for.

General BRADLEY. For this salaries and expenses funds, it is for salaries and expenses, as it is called, about 62 percent of that going for salary of personnel. The rest of it goes for various things.

I can read them off for you: Travel of employees and of beneficiaries; transportation of things; part of it for shipment of bodies, and part for supplies and equipment; communications services; utilities and rents; part of it for hospital maintenance services; provisions and other materials; equipment and a small amount of it was for structures and some for tuition for trainees under Public Law 16.

ECONOMIES IN ADMINISTRATION

The CHAIRMAN. General, looking at the general picture and knowing that the Congress is moving in the direction of economy, and with the assurance on the premise first that we do not want to affect any essential activity of the Veterans' Bureau or veterans' benefit, do you think that it is possible and have you taken any steps in the direction of bringing about general economies particularly in administration?

General BRADLEY. Yes. I have sent out a message to all of the people in the field, cutting out certain things that I thought we could do without for a short time. For example, I have cut out all supervisory travel. You can do that for a short time, but if you do not supervise over a long period the service to the veteran is bound to suffer.

I felt I could cut out supervisory travel and conferences here for a short period of time without suffering too much.

I have cut our overtime wherever possible, except in the cases where it is necessary to reduce backlogs. For example, we have been working nights in a lot of our offices to get out subsistence checks to students. They have to be gotten out. But in those exceptions I have included overtime.

I sent out a letter or a telegram, and I would be glad to furnish you with a copy.

The CHAIRMAN. I have a copy. Thank you.

General BRADLEY. That was to try to economize all sections and staffs, and we could not do that indefinitely, but we can take these steps for a short time without affecting the service too much.

BUSINESS MANAGEMENT SURVEY OF VETERANS' ADMINISTRATION

The CHAIRMAN. Have you given any thought to having a general survey made independent of the people who are actually on your regular staff, to survey the situation all over the country in the Veterans' Administration regarding the possibility of reducing super-

visory personnel and administrative personnel where you may be overstaffed, or where there is a duplication of effort?

General BRADLEY. The Budget Bureau is doing that outside our agency. They have people in the field all of the time and they call to your attention anything they find where they think we can cut down.

The CHAIRMAN. As the result of that, have you actually taken any steps in that direction?

General BRADLEY. Yes, sir; I am at the present time sending around a survey team to all of the hospitals to see where we are overstaffed. Probably in this rapid expansion, and you know we have had to expand rapidly to do the business for the veterans, we probably have made mistakes. It is not much. When you cut it all out, it is not going to affect the total very much. But we are in the process of surveying hospitals as to overstaffing, and surveying our own offices.

Every assistant administrator and every man in the field is busy on that now, and I think we will find some places where we can cut down, but it is going to be a small percentage of the over-all picture.

OVERSTAFFING IN VETERANS' ADMINISTRATION

The CHAIRMAN. We get reports made to us, General, from the people who are actually in the Veterans' Administration service, and from the outside people, veterans who are supported by the Veterans' Administration, that in many of your offices around the country that they are overstaffed and that there seems to be sufficient overstaffing so that there may, in some instances, be a hindrance to efficiency.

There are a number of reports coming to us, and I just wondered. I realize that you have a great deal on your shoulders. You are the top administrator, and we want to give you all the help we can, but we want all of the economy we can get without affecting vital services to the veterans, and if there is a way, directly or indirectly, to cut down the administrative supervisory personnel and get the same service or equally efficient service, we want to do it, of course.

General BRADLEY. Well, I assure you that I want to, too. I am not trying to build up any empire in this Veterans' Administration, because I am only over here to try to do the job and just looking forward to the day when I can get out, but I do want to do a good job, and we have these veterans to serve, whom I worked with so much during the war. I am just as anxious to do this as you are, or any one else. And I want to take every step I can to do it. We would like to get any instances of where somebody thinks we are overstaffed, because then we will look into it.

You are liable to go into any of our contact offices, at certain times of the day, and you will not find them doing much because the veterans have not started to come in.

But I might say, in January, there were over 2,394,000 visits by veterans.

Senator BROOKS. General, please excuse me now, but I have to leave.

General BRADLEY. During that time we also received 955,000 telephone calls and helped veterans prepare 928,727 applications, and over 400,000 pieces of correspondence.

In the morning, they might not be doing much, but just come back in the afternoon.

For example, in New York, about a month ago, we had 17,000 veterans enter that regional office in 1 day.

So if you have any instances where people think we are overstaffed, we would be very glad to have those. We will be glad to look into them. We will try to catch them as quickly as we can.

CONTACT OFFICES

The CHAIRMAN. In regard to the contact offices which have been opened up in order to render a greater or more personal service to veterans, is it your thought that some of those can be curtailed later?

General BRADLEY. I should think in 2 or 3 years, the demand for that service would drop way down, but right now, the men come in and ask a lot of questions. A year ago, the questions were rather short and easy to answer. They are getting more complicated now.

They are going into insurance now, and the average interview is about 25 minutes. If we do not render that service, I feel that we are not giving them the best possible service, and furthermore, a lot of them will write us letters and it will probably take more time to answer the letter than it takes to talk to them.

PUBLIC RELATIONS SERVICE

The CHAIRMAN. General, there is one other thing. One of the reports we have received is on that public relations work—informing the veterans of services available—could be curtailed. Would you comment on that?

General BRADLEY. We have a total of only 282 men in the public relations scattered all over the country. We have had them charged with two principal duties. One, to inform the veterans of the benefits given to them by the laws, and there were 55 laws passed by Congress from June 30, 1945, to the end of the Seventy-ninth Congress having a bearing on Veterans' Administration. Second, is to try to help them in their readjustment. You passed a readjustment act. In carrying that out, it is a little bit more than telling them the benefits. It is telling them what to do. We may have been charged with spending too much money on the radio. We have a radio staff of 25 people out of 282. Eight in the central office and 17 in the field.

The salaries for those people were \$92,212.12 for the first 6 months. And we spent in addition to that only \$17,609.60 preparing broadcasts, and all of the time and all of the radio talent was donated to the Veterans' Administration, and our radio people estimate that the radio industry alone donated \$5,170,889 worth of time. It did not cost us a nickel. And I think that is good work that those 25 people did.

The CHAIRMAN. Would you say that number of 282 employees, the exact number you mentioned with reference to public relations, include your radio people and press people?

General BRADLEY. Yes, everyone. It included the stenographers that worked with them, the messengers that worked with them, everything.

CHANGE REQUESTED IN BILL AS PASSED BY HOUSE

Senator McKELLAR. Are there any other figures in this item on this page that you want to change?

General BRADLEY. No, sir.

Senator McKELLAR. You just want the increase of \$30,000,000?

General BRADLEY. Yes, sir. That is the only figure of these three that the House sent over here, sir.

Senator McKELLAR. But the others you want to remain like the House has it?

General BRADLEY. We can get by with those other figures until they have further hearings, sir.

Senator McKELLAR. That is very fine. I am glad to hear it. Of course, we want to help the veterans in every way in the world, and we want to help you in your management in every way that we can.

CHANGE IN DISCHARGE RATE SINCE ESTIMATES WERE PREPARED

General BRADLEY. I would like to bring out this fact: When we made up these estimates in the summer of 1945, the rate of discharge from the service which had been given us by the Joint Chiefs of Staff was 200,000 a month, and they thought we would probably have 14,000,000 veterans by the end of this fiscal year. Actually the discharge rate reached 1,500,000 a month, and we had just under 13,000,000 at the beginning of the year instead of 14,000,000 at the end of it. Our estimates were not worth much back in the summer of 1945 as to what problems we were going to meet this year.

PERCENTAGE OF VETERANS AND THEIR FAMILIES TO TOTAL POPULATION OF UNITED STATES

The CHAIRMAN. General Bradley, I heard attributed to you a figure.

For my own curiosity and interest, I will ask you if you have it in mind. Take the veterans and members of their families. What percentage of the total population of the country do they comprise? It is very interesting, because the veterans and their families have quite a stake in this country. When you answer it, I would like to have you explain, when you say "family", whether you mean wife and children, or fathers and mothers and so on.

General BRADLEY. The only figure I have along that line is that there are 18,000,000 veterans and almost 2,000,000 more to come out that will be entitled to the benefits of the Readjustment Act, and there are 20,000,000 men that will comprise about 43 percent of the adult male population of the United States.

The CHAIRMAN. Forty-three percent of the adult male population of the United States.

General BRADLEY. Yes, sir.

The CHAIRMAN. Now, what will that mean for the total population? Have you got any ideas on that? It will increase as these men get older.

General BRADLEY. That is right.

The CHAIRMAN. Their families increase also, and it will mean within a relatively few years, that they and their immediate families will constitute a tremendous majority of the total population of the country, will it not?

General BRADLEY. Yes, sir.

The CHAIRMAN. Would you not some time, not particularly in this hearing, but some time, as we go on with our work here before the Appropriation Committee in later months, project that into the future a little and give us some estimate as to what that is now and what it might be expected to be over a period of years?

General BRADLEY. Just the number of veterans; yes, sir.

The CHAIRMAN. The number of veterans plus their immediate families, say, their wives and children. What I am trying to get at here is the stake the veterans have in the country, as a whole, which I think is a very significant figure.

General BRADLEY. We usually figure on that as about three per family. Either a man is married and has a wife, but some of them are not married but they have a mother and father.

The CHAIRMAN. Yes.

General BRADLEY. So the figure we usually use for estimation purposes is three per veteran, which would make approximately 60,000,000.

The CHAIRMAN. Sixty million.

General BRADLEY. That is, that are directly interested in the veterans.

The CHAIRMAN. We have, roughly, 135,000,000 people in the country. Perhaps more today.

General BRADLEY. Yes, sir.

The CHAIRMAN. So that it would be a pretty high percentage?

General BRADLEY. But I was counting probably three per family that are directly interested in the veterans that are adults. The mother and father, and the wife, or some combination of that. Probably you would find a brother or a sister. When you add all of those you will probably have quite a bit. You have got an average of three times that many adults.

The CHAIRMAN. Then you add the children, and your figure will represent a high percentage.

General BRADLEY. Yes, sir.

The CHAIRMAN. I think it is very important for the country, and especially the veterans, to realize just what stake they have in this country as a whole and to have the Veterans' Administration people give us some information as to what the situation is and what it may be in a few years.

General BRADLEY. We will see if we can work that up.

The CHAIRMAN. I think it would be very interesting.

General BRADLEY. Is that a 5-year period, or do you want to go beyond that, sir?

The CHAIRMAN. Say now, 5 years from today, and 10 years from today. I think it would be very helpful.

I do not think there are any more questions. Thank you very much.

General BRADLEY. Thank you, sir.

The CHAIRMAN. Mr. McGinnis, will you proceed?

ARCHITECT OF THE CAPITOL

STATEMENT OF EDWARD F. MCGINNIS, SERGEANT AT ARMS,
SENATE OF THE UNITED STATES

STORAGE OF SENATE DOCUMENTS

Mr. MCGINNIS. Mr. Chairman, I am here to present two matters which will entail but a very few minutes and very little money.

The CHAIRMAN. All right. We are delighted to see you if it entails very few minutes and very little money.

Mr. MCGINNIS. Mr. Chairman, at the present time, the public documents to the credit of Senators are being kept in a storeroom or warehouse three or four blocks from the Capitol Building, now rented by the Senate. The property was sold as of January 1, and at that time the rent was increased from \$2,000 a year to \$6,348, which is more than three times the former amount.

Now, in order to save money and store these documents in our own property, the Capitol Architect has proposed to construct warehouse space in the subway of the Senate Office Building at a cost of approximately \$32,000. It will require 3 or 4 months to complete this reconstruction. Considerable money will be saved over a period of time by the discontinuance of rent, which in 5 years would amount to \$31,744. The Capitol Architect presented this matter to the Budget Bureau and my purpose is to simply insure the inclusion on the deficiency bill of this amount.

The CHAIRMAN. This amount is for construction in the Senate Office Building to provide space for the folding room, which is now rented outside?

Mr. MCGINNIS. That is correct, sir. At a cost of \$32,000.

LETTERS AND JUSTIFICATIONS FROM ARCHITECT OF THE CAPITOL

The CHAIRMAN. All right.

We might at this time put Mr. Lynn's letter in the record, together with the justification.

Mr. MCGINNIS. Very well, sir.

(The material referred to is as follows:)

ARCHITECT OF THE CAPITOL,
Washington, D. C., February 21, 1947.

Hon. STYLES BRIDGES,

Chairman, Committee on Appropriations, United States Senate.

MY DEAR MR. CHAIRMAN: The consideration of your committee is respectfully requested for the inclusion of the following supplemental estimate of appropriation, under the Architect of the Capitol, in the pending deficiency appropriation bill.

This estimate has been submitted through the Bureau of the Budget with the approval of the chairman of the Senate Committee on Rules and Administration and is to effect structural and mechanical alterations and improvements to provide accommodations for the Senate folding room in the Senate Office Building.

The necessity for this estimate is brought about by the fact that the Senate folding room must vacate the rented quarters which it has occupied for many years at First Street and Independence Avenue SW., due to change of ownership of the premises.

The estimate is as follows:

"ARCHITECT OF THE CAPITOL

"Senate Office Building: For an additional amount for maintenance, including the objects specified under this head in the Legislative Branch Appropriation Act, 1947, \$32,000, to be expended by the Architect of the Capitol for structural and mechanical alterations and improvements to provide accommodations in the Senate Office Building for the Senate folding room, including all necessary incidental expenses in connection therewith."

A copy of the estimate as submitted through the Bureau of the Budget, together with a justification of the item, is attached hereto.

Yours very truly,

DAVID LYNN,
Architect of the Capitol.

FEBRUARY 21, 1947.

HON. JAMES E. WEBB,

*Director, Bureau of the Budget,
Washington 25, D. C.*

SIR: I am forwarding herewith, in duplicate, supplemental estimate of appropriation required for the fiscal year 1947, for inclusion in the pending deficiency appropriation bill, as follows:

"ARCHITECT OF THE CAPITOL

"Senate Office Building: For an additional amount for maintenance, including the objects specified under this head in the Legislative Branch Appropriation Act, 1947, \$32,000, to be expended by the Architect of the Capitol for structural and mechanical alterations and improvements to provide accommodations in the Senate Office Building for the Senate folding room, including all necessary incidental expenses in connection therewith."

Yours very truly,

DAVID LYNN,
Architect of the Capitol.

By the legislative establishment, Architect of the Capitol:

"Senate Office Building: For an additional amount for maintenance, including the objects specified under this head in the Legislative Branch Appropriation Act, 1947, \$32,000, to be expended by the Architect of the Capitol for structural and mechanical alterations and improvements to provide accommodations in the Senate Office Building for the Senate folding room, including all necessary incidental expenses in connection therewith."

(49 U. S. C. 174c; act of July 1, 1946, Public Law 479.)

Appropriated, 1947_____	¹ \$518,400
Supplemental estimate, 1947_____	¹ 32,000

¹In addition to these amounts, a supplemental estimate submitted to the Bureau of the Budget October 24, 1946, for the fiscal year 1947, in the amount of \$52,898, to meet increased pay costs due to Public Law 390, is now pending.

*Structural and mechanical alterations and improvements, Senate Office Building,
to provide accommodations for the Senate folding room*

Supplemental estimate, fiscal year 1947_____ \$32,000

Under the estimate of \$32,000, it is proposed to convert, for suitable use by the Senate folding room, the two large storage rooms at the Senate Office Building terminus of the Senate subway and to connect the two rooms by construction of a floor over a portion of the subway terminus.

Each of these rooms is approximately 22 feet high, 88 feet long, and 28 feet wide. It is proposed to double the existing usable space in these rooms by constructing a steel and reinforced concrete floor slab at a height of 11½ feet above the present floor in each room, which would make usable the entire cubic contents of these rooms. The newly constructed floor is to be continued across a portion of the subway terminus in order to connect these two new floors. These structural

changes will make available a total floor area of approximately 11,000 square feet.

One of the large storage room is now used for storage of surplus documents and other materials by the Senate Library and the Senate document room; the other room for the storage of ladders and other equipment used in the maintenance of the building. The Senate library and the Senate document room are planning to move their materials to the depositories in the Capitol and Library of Congress Annex, constructed for the Senate and House in 1942, and other locations in the Capitol. The building maintenance equipment is to continue to occupy about 2,000 square feet in its present location. The remainder of the space, 9,000 square feet, is to be made available for use by the Senate folding room.

Other work necessary to make these rooms suitable for use by the folding room would include removal of upper part of existing brick walls flanking the subway terminus, cutting new openings, masonry work, brick, stone, tile and carpentry work, installation of electrical wiring and fixtures, providing proper ventilation and air-conditioning installation of steel stairs to provide access from one floor to another, installation of fire doors, and painting.

A break-down of the estimate of \$32,000 follows:

Structural steel-----	\$4, 000
Concrete work-----	8, 000
Removal of upper part of brick walls at subway-----	2, 000
Cutting new openings-----	2, 000
Masonry work, brickwork, stone, and tile-----	2, 500
Steel stairs and miscellaneous iron work-----	1, 500
Fire doors and miscellaneous hardware-----	1, 000
Carpentry-----	2, 000
Painting-----	2, 000
Electric work-----	3, 000
Ventilation and air conditioning-----	4, 000
Total estimate-----	32, 000

SENATE

OFFICE OF SERGEANT AT ARMS AND DOORKEEPER

ITEM FOR ADDITIONAL TELEPHONE OPERATORS

The CHAIRMAN. You have one other item?

Mr. MCGINNIS. Yes, sir. This is something that just came to my attention and I have not had an opportunity to present it to the chairman as yet. Today, I addressed a letter to the chairman concerning this item. With permission of the chairman I will read from a copy of the letter:

It is respectfully requested that an item for six additional telephone operators at \$1,800 per annum each, commencing with the enactment of the urgent deficiency appropriation bill, be included in this appropriation bill.

The Capitol telephone switchboard has been increased in size to the extent of 11 additional operating positions. This increase was made to furnish each Senator and each Member of the House one additional telephone line, and to enable the switchboard, in general, to cope with the recent greatly increased demands for long-distance and departmental service.

During the last session of the Seventy-ninth Congress six operators were capable of handling the long-distance board. Since the Eightieth Congress convened it has been necessary to have 12 operators on long-distance work.

In order to operate 11 additional positions on the board 16 additional operators will be required. It is requested that the Senate furnish 6 of them and the House of Representatives furnish 10. It is understood that the House will provide for its share by House resolution for the remainder of this fiscal year and later include funds for its share in the next legislative bill.

AMOUNT REQUESTED

So, Mr. Chairman, it will be necessary, and we are requesting an appropriation sufficient to cover the salary of six additional operators at \$1,800 base pay per annum each.

The CHAIRMAN. Starting when?

Mr. McGINNIS. Starting immediately. The equipment is all ready.

The CHAIRMAN. You want to start with the passage of the appropriation bill?

Mr. McGINNIS. Yes, sir.

The CHAIRMAN. Running through to June 30?

Mr. McGINNIS. Correct, sir.

DIVISION OF ADDITIONAL TELEPHONE OPERATORS BETWEEN SENATE AND HOUSE

The CHAIRMAN. I do not think there are any further questions. The division of 10 and 6 between the House and the Senate is a fair proposition?

Mr. McGINNIS. We hope to get them to agree to that. The proration up to the present time has been 60-40 percent. This is a little bit below 40 percent, about 37½, and it may be necessary to increase one operator on our side, but we will ask for this basic sum at the present time.

The CHAIRMAN. Thank you very much.

The next witness is Mr. Loeffler.

EDUCATION OF SENATE AND HOUSE PAGES

STATEMENT OF CARL A. LOEFFLER, SECRETARY OF THE UNITED STATES SENATE

Mr. LOEFFLER. Mr. Andrews is not here yet, but I think I can state it.

The CHAIRMAN. All right. Just briefly, Mr. Loeffler, for the record, tell us your problem, and what the picture is. I understand that this amount for the pages school has to do with the shifting of jurisdiction.

Mr. LOEFFLER. Shifting of jurisdiction from the private institution, as it now is, to the jurisdiction of the District School Authority.

TEXT OF PROPOSED AMENDMENT

Now, if it will save time, Senator, I will incorporate here the text of the amendment proposed, which is intended to modify section 243 of the Reorganization Act. I can incorporate that without reading it.

The CHAIRMAN. Fine.

(The proposed amendment is as follows:)

For reimbursement to the District of Columbia for education of congressional pages and pages of the Supreme Court, from January 2, 1947, pursuant to the provisions of section 243 of the Act of Congress entitled, "an Act to provide for increased efficiency in the legislative branch of the Government," approved August 2, 1946, fiscal year 1947, \$10,600, which amount shall be credited to the appropriation for "General Supervision and Instruction, Public Schools, District of Columbia, 1947," and the Board of Education of the District of Columbia is hereby authorized to employ such personnel for the education of pages as may be required and to pay compensation for such services from January 2, 1947, in

accordance with such rates of compensation as the Board of Education may prescribe.

The facilities provided for the education of such pages shall be available from and after January 2, 1947, also for the education of such other minors who are congressional employees as may be certified by the Secretary of the Senate and the Clerk of the House of Representatives to receive such education.

LETTER AND STATEMENT OF SUPERINTENDENT OF SCHOOLS

Mr. LOEFFLER. I can also incorporate a letter of transmittal and statement from Dr. Corning, superintendent of schools, transmitting this form of amendment, originally intended to be introduced as a joint resolution.

The CHAIRMAN. Yes.

(The letter and statement are as follows:)

SUPERINTENDENT OF SCHOOLS,
Washington 5, D. C., February 18, 1947.

Mr. C. A. LOEFFLER,

Secretary, United States Senate, Washington, D. C.

MY DEAR MR. LOEFFLER: The superintendent is sending you a draft of a proposed joint resolution, and a statement of justification for this legislation, both of which were discussed in your office yesterday.

In accordance with your request, a provision has been added which, if approved by the Congress, would make it possible for minors employed by the Congress to attend the school established for pages.

Very sincerely yours,

HOBART M. CORNING,
Superintendent of Schools.

STATEMENT

Section 243 of the Legislative Reorganization Act of 1946 authorizes the Secretary of the Senate and the Clerk of the House of Representatives to arrange with the Board of Education for the education of congressional pages and pages of the Supreme Court, in the public school system of the District of Columbia, this arrangement to include a provision for reimbursement to the District of Columbia for any additional expenses incurred by the public school system in carrying out this arrangement.

It has been ruled by the Corporation Counsel of the District of Columbia and the Auditor of the District of Columbia that any reimbursement received under this legislation would have to be credited to the general revenues of the District of Columbia and, therefore, would not be available to the Board of Education for the payment of expenses for the education of pages.

Therefore, it becomes necessary to have legislation enacted that will authorize the public schools' appropriation for general supervision and instruction to be credited with any funds that may be appropriated for the education of pages. Thus, this money would become available to the Board of Education for the compensation of all educational personnel required.

For these reasons, it has not been possible for the Board of Education to appoint the personnel required for the education of pages, and in order that the existing personnel in the school for pages may receive compensation for their services from January 2, 1947, it is necessary to authorize employment by the Board of Education from that date.

While the Legislative Reorganization Act of 1946 authorizes education for congressional pages and pages of the Supreme Court only, there are other minors employed by the Congress who are now attending the school for pages, and it is recommended that the educational opportunity be extended to these minors when they are certified by the Secretary of the Senate and the Clerk of the House of Representatives to attend the school for pages. The additional cost of educating these minors would be slight because they could be instructed in the classes organized for the pages. A school for pages, operated as part of the public school system, might be considered discriminatory if it did not provide for the education of all minors employed by the Congress.

Mr. LOEFFLER. The accompanying statement is a brief outline by Dr. Corning of the need for it so that the appropriation can be covered into the District school authority funds and be applied to the maintenance of the pages' school.

LOCATION AND EXTENT OF PRESENT SCHOOL FACILITIES

I might state briefly for the record that in the terrace of the Capitol there are seven rooms occupied by the pages' school. There are 75 pages receiving education there and 15 nonpages. The end of the present school term will be June 13. The number of the tutors is eight. There is also a principal and secretary. The hours run from 6:30 in the morning until 11 a. m. and the school is open for study up to 4:30 in the afternoon. Three evenings a week they devote to sports activities.

AMOUNT REQUESTED IN PROPOSED AMENDMENT

The CHAIRMAN. This involves how much money, Mr. Loeffler?

Mr. LOEFFLER. This will involve \$10,600. Perhaps, I had better read the amendment itself, because that conveys the picture of it.

* * * for reimbursement to the District of Columbia for education of congressional pages and pages of the Supreme Court from January 2, 1947, pursuant to the provisions of Section 243 of the act of Congress entitled, "An act to provide for increased efficiency in the legislative branch of the Government," approved August 2, 1946, fiscal year 1947, \$10,600, which amount shall be credited to the appropriation for "General supervision and instruction, public schools, District of Columbia, 1947" and the Board of Education of the District of Columbia is hereby authorized to employ such personnel for the education of pages as may be required and to pay compensation for such services from January 2, 1947, in accordance with such rates of compensation as the Board of Education may prescribe.

The facilities provided for the education of such pages shall be available from and after January 2, 1947, also for the education of such other minors who are congressional employees as may be certified by the Secretary of the Senate and the Clerk of the House of Representatives to receive such education.

PROVISION FOR NONPAGES

Now, that second paragraph is intended to take care of other minors who are employed about the Capitol and prevent an apparent discrimination in education against boys who may not be on the actual pages' pay rolls.

APPROPRIATE CHARGE FOR SUPREME COURT PAGES

The CHAIRMAN. Well, now, let me ask you this, Mr. Loeffler: Should the pages of the Supreme Court be charged to the legislative appropriation?

Mr. LOEFFLER. They will be educated under this also. Now, Senator, here is the picture that you should have. Up to January, tuition had been charged both nonpages and pages, but when the effective date of the section 243 went into effect, this school could no longer charge pages as such, but were enabled only to derive an income for the maintenance of school from tuition charged nonpages. Now, the Supreme Court pages have always attended. Heretofore and until

this goes into effect, and until the District school authority takes control of the pages' school, it is in effect, and has been a private school.

The CHAIRMAN. I understand that point. The point I think will be raised is in the legislation appropriation; namely, why should we pay for the pages of the Supreme Court? Why should they not come out of the Supreme Court funds?

TEXT OF REORGANIZATION ACT PROVISION

Mr. LOEFFLER. This is section 243 of the Congressional Reorganization Act:

SENATE AND HOUSE PAGES

SEC. 243. (a) The Secretary of the Senate and the Clerk of the House of Representatives, acting jointly, are authorized and directed to enter into an arrangement with the Board of Education of the District of Columbia for the education of congressional pages and pages of the Supreme Court in the public school system of the District. Such arrangement shall include provision for reimbursement to the District of Columbia for any additional expenses incurred by the public school system of the District in carrying out such arrangement.

(b) There are hereby authorized to be appropriated such sums as may be necessary to reimburse the District of Columbia in accordance with the arrangement referred to in subsection (a).

(c) Notwithstanding the provisions of subsections (a) and (b) of this section, said page or pages may elect to attend a private or parochial school of their own choice: *Provided, however,* That such private or parochial school shall be reimbursed by the Senate and House of Representatives only in the same amount as would be paid if the page or pages were attending a public school under the provisions of paragraphs (a) and (b) of this section.

The CHAIRMAN. That apparently is some law, but I still think that the charge for the Supreme Court pages ought to be on their appropriation. It is a small item. That is, it should be there, rather than on the legislative.

Apparently, it is in the law the other way, so until it is changed we cannot do anything about it.

Mr. LOEFFLER. This law even states in subsection (c):

Notwithstanding the provision of subsections (a) and (b) of this section, said page or pages may elect to attend a private or parochial school of their own choice: *Provided however,* That such private or parochial school shall be reimbursed by the Senate and the House of Representatives only in the same amount as would be paid if the page or pages were attending a public school under the provisions of paragraph (a) and (b) of this section.

SUGGESTED SURVEY TO FORMULATE PERMANENT PLAN

The CHAIRMAN. I think you and Mr. Andrews ought to look this thing over in the months ahead here, and perhaps before we go into another year, it may be necessary to change this act some, or at least weigh the whole situation.

Mr. LOEFFLER. This provision will modify the act in a temporary manner, anyway, and this legislation here is temporary. The school authority, Mr. Andrews and myself have discussed it, and we realize that after 1947 is provided for, there will have to be a more permanent plan made to carry it under the authority of the District of Columbia Board of Education.

The CHAIRMAN. Mr. Loeffler has presented the case, Mr. Andrews. Is there anything you would care to add to it?

STATEMENT OF JOHN N. ANDREWS, CLERK, HOUSE OF REPRESENTATIVES

Mr. ANDREWS. Mr. Chairman, I doubt it very much. The Secretary and I have discussed this at great length over a period of several weeks. I can only say that this item is merely to carry out the provision of section 243 of the Legislative Reorganization Act.

NUMBER OF SUPREME COURT PAGES INVOLVED

In regard to the pages for the Supreme Court, I believe there are four. Not more than five, but I think four is the limit.

The CHAIRMAN. I see.

Mr. ANDREWS. I have talked to Mr. Collier, who, I believe, is administrative officer in the Supreme Court. I do not think I can add anything further at this time.

ASSUMING TUITION IN EFFECT INCREASES PAY OF PAGES

The CHAIRMAN. Let me get one thing clear. Under this, formerly pages of the Senate and the House paid for tuition out of their pay.

Mr. LOEFFLER. Yes.

The CHAIRMAN. Now, we pay for it.

Mr. LOEFFLER. The Reorganization Act relieves them of the payment.

The CHAIRMAN. So that the page who used to get \$5 a day now gets \$7.50 a day.

Mr. LOEFFLER. Yes.

The CHAIRMAN. And who used to get it only for the days Congress was in session now gets it for the full year.

Mr. LOEFFLER. Yes.

The CHAIRMAN. And now you are giving them another increase when you assume the tuition.

Mr. LOEFFLER. I am glad to have you put that in, Senator, because that is virtually the effect of this section 243 of the Reorganization Act.

Here is something that I want to present so that this gets into the picture.

The CHAIRMAN. If a man had several children and had them all appointed pages, he would be in pretty good shape.

Mr. LOEFFLER. Yes; he would.

EXAMPLE OF AMOUNT OF TUITION CHARGES ASSUMED

Now, then, Dr. Kendall of the Pages School gave me a statement which covers the nominal tuition charge on the Senate and the Supreme Court pages for January and February 1947. He dares not collect that. He is prevented from taking tuition by the terms of that act, but the total of that amounts to \$1,070.

The CHAIRMAN. Well, I think that gives us the picture. Is there anything more?

Mr. ANDREWS. I do not think there is anything else at the moment, Mr. Chairman.

SUGGESTED SURVEY TO FORMULATE PERMANENT PLAN

The CHAIRMAN. I think that the whole page situation here, in the light of this reorganization, ought to be watched by you gentlemen, and we had better look ahead in a permanent way, and perhaps you will have some recommendation to make after this has been in operation a few months.

Mr. LOEFFLER. Mr. Andrews and myself will have to get together and devise some permanent plan to take care of them.

PRIOR DISCUSSIONS

I may state this, Senator, that before I became Secretary the Senate, there was a meeting back in October upon it, and there was a meeting in December upon it. And then on January 30, Mr. Andrews and myself got together to discuss it with others who were familiar with it.

The CHAIRMAN. Yes.

Mr. LOEFFLER. And it was on February 17 that I called in the district authorities and asked them to recommend a joint resolution, such as has been read into the record as a proposed amendment, together with a statement for its need.

The CHAIRMAN. Thank you very much.

We will next hear from the Federal Security Agency, the Bureau of Employees' Compensation.

FEDERAL SECURITY AGENCY

BUREAU OF EMPLOYEES' COMPENSATION

STATEMENTS OF WILLIAM McCAULEY, DIRECTOR, BUREAU OF EMPLOYEES' COMPENSATION, AND SIDNEY B. COHEN, BUDGET EXAMINER, FEDERAL SECURITY AGENCY, WASHINGTON, D. C.

AMOUNT OF SUPPLEMENTAL FUNDS REQUESTED

Mr. McCAULEY. We will just take a few minutes, Mr. Chairman.

The CHAIRMAN. Mr. McCauley, will you tell us briefly your problem with relation to what you requested in the House, what the House did, what the situation now is, and what you request of us? This came in after the House acted and is a Senate document?

Mr. McCAULEY. Yes, sir. The Bureau is requesting supplemental funds for the appropriation of "Employees' compensation fund," to enable it to continue the payment of statutory benefits during the remainder of the fiscal year.

The sum requested is \$3,474,000. Of that sum, 70 percent, or about \$2,450,000, is required because of an obligation created by Public Law 650, approved August 7, 1946.

TEXT OF PUBLIC LAW 650

The CHAIRMAN. I think we will put a copy of that law, in this instance, in the record.

(The law is as follows:)

[PUBLIC LAW 650—79TH CONGRESS]

[CHAPTER 805—2D SESSION]

[S. 1561]

AN ACT To amend the Act entitled "Compensation for injury, death, or detention of employees of contractors with the United States outside the United States", as amended, for the purpose of making the 100 per centum earning provisions effective as of January 1, 1942

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the Act entitled "An Act to provide benefits for the injury, disability, death, or enemy detention of employees of contractors with the United States, and for other purposes," approved December 2, 1942 (42 U. S. C. 1701), is amended by adding to the final proviso in the last paragraph of section 101 (b) (1) thereof, as added by title I of the Act approved December 23, 1943 (57 Stat. 626), upon changing the final period to a semicolon, the following: "and in such cases benefits for detention shall accrue from January 1, 1942, unless the beginning of absence occurred upon a later date in which event benefits shall accrue from such later date, and for the period of such absence shall be 100 per centum of the average weekly wages, determined as herein provided: *And provided further*, That compensation for disability under this title (except under allowance for scheduled losses of members or functions of the body, within the purview of section 102 (a)) shall not be paid in any case in respect to any period of time during which benefits for detention may accrue under this title in the same case, and should a person entitled to benefits for detention also be entitled to workmen's compensation or similar benefits under any other law, agreement, or plan (except allowances for scheduled losses of members or functions of the body), where such other benefits are paid or to be paid directly or indirectly by the United States, the amount thereof accruing as to the period of absence shall be taken into account and the benefits credited to the account of the detained person reduced accordingly: *And provided further*, That where through mistake of fact, absence of proof of death, or error through lack of adequate information or otherwise, payments as for detention have in any case been erroneously made or credited, any resulting overpayment of detention benefits (the recovery of which is not waived as otherwise provided for in this section) shall be recouped by the Commission in such manner as it shall determine from any unpaid accruals to the account of the detained person, and if such accruals are insufficient for such purpose, then from any allowance of compensation for injury or death in the same case (whether under this title or under any other law, agreement, or plan, if the United States pays, or is obligated to pay, such benefits, directly or indirectly), but only to the extent of the amount of such compensation benefits payable for the particular period of such overpayment, and in cases of erroneous payments of compensation for injury or death, made through mistake of fact, whether under this title or under any other law, agreement, or plan (if the United States is obligated to pay such compensation, directly or indirectly), the Commission is authorized to recoup from any unpaid benefits for detention, the amount of any overpayment thus arising; and any amounts recovered under this section shall be covered into such compensation fund, and for the foregoing purposes the Commission shall have a right of lien, intervention, and recovery in any claim or proceeding for compensation."

SEC. 2. The provisions of section 1 of this Act shall apply in all cases coming within the purview of section 101 (b) of such Act of December 2, 1942, and shall be applied retrospectively to January 1, 1942; and the United States Employees' Compensation Commission is authorized to review any case affected by such provisions, and to make the adjustment of benefits which they require. In cases in which claims for benefits under such section 101 (b) have been adjudicated, and the detained person has died since such adjudication, any amounts found to be due upon such review shall be paid to his legal representative.

Approved August 7, 1946.

CASES INVOLVING WAGE ADJUSTMENTS FOR EMPLOYEES CAPTURED BY THE
ENEMY

Mr. McCauley. The obligation consists of wage adjustments payable to employees of Government contractors who were captured by the enemy at posts outside the United States. There were 1,322 such cases, on which we have acknowledged liability under the applicable statute, and the obligation is payable from the employees' compensation fund.

The CHAIRMAN. Now, this, Mr. McCauley, is for employees that were not employees of the Federal Government?

Mr. McCauley. No, sir.

The CHAIRMAN. But they were employees of contractors who were doing official contract work for the Government in various places, and they were captured by the enemy and imprisoned, and this is a legal claim against the workmen's compensation fund as recognized by you after an examination of the cases?

Mr. McCauley. Yes, sir. It is not, strictly speaking, a workmen's compensation claim. It is payment of wages which would have accrued to these persons during the period of their captivity. The original enactment was Public Law 184 of the Seventy-seventh Congress.

The CHAIRMAN. Now, these were captured on Guam, Wake, and the Philippines?

Mr. McCauley. Yes, sir.

The CHAIRMAN. They were American citizens, or are some natives?

Mr. McCauley. The largest group of them, in fact, better than 90 percent of them were American citizens who left the continental United States to engage in such employment.

There were some few persons employed locally, principally in the Philippine Islands, and a few natives of Guam who would also be entitled to benefits because they happened to be captured in the course of their employment. No benefits are payable to those who were residing in the locality unless they happened to be taken captive in the course of their employment.

The CHAIRMAN. In other words, you attribute the same treatment to those people who are citizens of the Philippines, Guam, or Wake, we will say, that you do to citizens, provided they were captured while in the performance of their duties to this Government but in the service of the contractor?

Mr. McCauley. Yes, sir; that is correct, but in order to be eligible, they had to be taken prisoner during their employment.

The CHAIRMAN. This is a nonrecurring item?

CASES PENDING AT PRESENT TIME

Mr. McCauley. Yes, sir. The Bureau has adjusted all but 100 of the 1,322 cases. The 100 cases still pending are those in which the captured men died during the period of his captivity and we are awaiting the appointment of administrators of the estates.

The CHAIRMAN. Approximately how much more will that involve?

Mr. McCAULEY. That is included in this item.

The CHAIRMAN. This, therefore, finishes up this immediate problem?

Mr. McCAULEY. Yes, sir.

CASES IN WHICH LIABILITY HAS NOT BEEN ACKNOWLEDGED

Now there are approximately 200 cases filed with us in which we have not acknowledged liability. Those were persons employed locally, who in the first place, have not as yet been determined to have been in the employ of the contractor, and secondly there is no showing that they were captured in the course of employment and I seriously doubt that many of those cases will be paid.

INCREASE IN OBLIGATIONS NORMALLY PAYABLE FROM COMPENSATION FUND

Then, we have had an unexpected increase in the obligations for continued disability and other benefits normally payable from the compensation fund.

At the time the appropriation was made in the annual appropriation act for 1947, the House committee in approving the reduced estimate stated that it was merely the committee's guess against the Bureau's guess as to the amount that would be required for the fiscal year 1947.

The committee in this connection stated that it was not improbable that a supplemental appropriation would be required. As it developed it appears that the Bureau's guess was slightly closer than that of the committee's; that is why we are here for additional funds.

I might add, Mr. Chairman, that it is quite an urgent item since the fund is practically exhausted and we will have to suspend payments, probably the first week in March. At the close of business today we had only \$179,000 left in the fund.

We have discontinued payment of any medical or other miscellaneous expenses in order to conserve what funds we have for payment of disability and death benefits.

The CHAIRMAN. Thank you very much, sir.

If there is nothing further on this item, we will proceed with Senator Hickenlooper.

Senator Hickenlooper is here and wants to present the case for the Atomic Energy Committee.

JOINT COMMITTEE ON ATOMIC ENERGY

STATEMENT OF HON. BOURKE B. HICKENLOOPER, A UNITED STATES SENATOR FROM THE STATE OF IOWA, ACCOMPANIED BY OCO THOMPSON, FINANCIAL CLERK, UNITED STATES SENATE

The CHAIRMAN. Senator Hickenlooper, will you proceed?

Senator HICKENLOOPER. Mr. Chairman, I first want to express to you and to the members of the committee my gratitude for your indulgence in breaking in at this time.

We have a hearing going on, and I had to leave it to come over.

JUSTIFICATION OF APPROPRIATION REQUESTED

I have supplied the committee with a brief outline of the proposed budget for the Joint Atomic Energy Committee showing our best estimates as to our needs for the fiscal year.

Senator TYDINGS. For the committee or the commission?

Senator HICKENLOOPER. The joint committee.

Senator TYDINGS. For the two Houses?

Senator HICKENLOOPER. Yes, sir.

The CHAIRMAN. That is found on the last page of your memorandum, which you have given to us.

Senator HICKENLOOPER. Yes, sir; and I submit this for the record. (The document referred to is as follows:)

EXPLANATION OF REQUEST FOR APPROPRIATION AND BUDGET OUTLINE FOR THE JOINT COMMITTEE ON ATOMIC ENERGY CREATED BY PUBLIC LAW 585, SEVENTY-NINTH CONGRESS, CHAPTER 724, SECOND SESSION

*To the Committee on Appropriations of the House of Representatives, and
To the Committee on Appropriations of the Senate.*

CREATION OF COMMITTEE

The Joint Committee on Atomic Energy was established by section 15 of Public Law 585, Seventy-ninth Congress, chapter 724, second session, passed by the Congress and approved August 1, 1946, and cited as "Atomic Energy Act of 1946."

PURPOSES AND SCOPE OF THE COMMITTEE

Under subsection (a) of section 15 of said law, the committee is composed of nine Members of the Senate appointed by the President of the Senate and nine Members of the House of Representatives appointed by the Speaker of the House.

Subsection (b) of section 15 of said law provides as follows:

"(b) The Joint Committee shall make continuing studies of the activities of the Atomic Energy Commission and of problems relating to the development, use, and control of atomic energy. The Commission shall keep the Joint Committee fully and currently informed with respect to the Commission's activities. All bills, resolutions, and other matters in the Senate or the House of Representatives relating primarily to the Commission or to the development, use, or control of atomic energy shall be referred to the Joint Committee. The members of the Joint Committee who are Members of the Senate shall from time to time report to the Senate, and the members of the Joint Committee who are Members of the House of Representatives shall from time to time report to the House, by bill or otherwise, their recommendations with respect to matters within the jurisdiction of their respective Houses which are (1) referred to the Joint Committee or (2) otherwise within the jurisdiction of the Joint Committee."

Subsection (c) of section 15 of said law provides for committee action in event of vacancies and provides for the election of a chairman and a vice chairman.

Subsection (d) of section 15 of said law authorizes the appointment of subcommittees, the holding of hearings at such time and places as the committee determines, to require attendance of witnesses, books, papers, etc., by subpoena or otherwise, to procure printing and binding, and "to make such expenditures as it deems advisable," and other customary committee powers.

Subsection (e) of section 15 of said law is as follows:

"(e) The Joint Committee is empowered to appoint and fix the compensation of such experts, consultants, technicians, and clerical and stenographic assistants as it deems necessary and advisable, but the compensation so fixed shall not exceed the compensation prescribed under the Classification Act of 1923, as amended, for comparable duties. The Committee is authorized to utilize the

services, information, facilities, and personnel of the departments and establishments of the Government."

From the above references and reference to the law itself, it is clear that the Joint Committee not only has been given extensive powers but also extensive responsibility to "make continuing studies of the activities of the Atomic Energy Commission and of problems relating to the development, use, and control of atomic energy." It is also to be noted that the law authorizes the Joint Committee "to appoint and fix the compensation of such experts, consultants, technicians, and clerical and stenographic assistants as it deems necessary and advisable * * *."

PROPOSED ACTIVITIES OF THE JOINT COMMITTEE

The Joint Committee met and organized in August 1946 but inasmuch as no appropriation had been made, it engaged in no activities as a joint committee. The activities, such as maintenance of files, information, etc., of the Senate Special Committee on Atomic Energy which expired January 31, 1947, but which did have some funds remaining from the Senate contingent fund, were maintained by said Senate special committee until taken over by the Senate section of the Joint Committee.

When the Joint Committee was reappointed in January 1947, after the convening of the Eightieth Congress, an organization meeting was held on January 24, 1947. At that time a chairman and a vice chairman were selected and subcommittees appointed for the purpose of preparation of a budget, selection of necessary employees and consultants, etc., and the Joint Committee, in keeping with the provisions of the law, authorized the setting up of such staff as would make possible "continuing studies" in the atomic-energy field.

The law directs that the Joint Committee will so equip itself as to obtain responsible, accurate, and adequate information in connection with the activities of the Commission and the future programs in the atomic-energy field as to be able to advise the Congress on matters of legislation, the activities of the Commission, and the progress of this science.

Because there is very little experience to guide the Committee, and also because of the vital necessity for adequate information and study, the Committee proposes the setting up of a staff composed of a number of experts and especially qualified persons in several fields including those of administration, information, security, and future program. In addition to these fields, the Committee, as contemplated by law, expects to employ the periodic services of consultants, experts in their field, who will not be permanent or full-time employees of the Committee itself. These experts are considered essential to "the continuing studies" by the Committee.

For all of these purposes and because of the vital importance of atomic energy, the Committee believes that it must be adequately staffed and financed. The funds for this Committee must come from appropriations rather than from contingent funds of either House. Authorization for the appropriation is contained in section 19 of the Atomic Energy Act of 1946.

Attached hereto is an estimate of the estimated budgetary requirements for the staff and activities of the committee, including a break-down of the general duties and classification of personnel believed to be necessary in order to set up an adequate staff, for the remainder of the fiscal year until June 30, 1947. This memorandum is submitted in connection with the request for an appropriation for the remainder of such fiscal year. The Committee states, however, that because of the pioneering requirements in setting up the staff and establishing the field of studies of the Committee, the enclosed break-down of personnel and assignment of duties and salaries may be subject to alteration in the interests of efficiency and results but it is as accurate as present anticipation can give.

The Committee states to the Appropriations Committee that the estimates of the budgetary requirements herein referred to and the appropriation requested therefor represent the organization which will be set up as soon as adequately qualified personnel can be secured. It may be that the complete staff cannot be set up for some time and, therefore, there may be a surplus remaining in the funds of the Joint Committee from the appropriation requested for the remainder of the fiscal year. In view of the fact, however, that the Committee believes that the importance of adequate staffing and the commencement of the work of the Committee is very great, the Committee asks that the appropriation be granted so that as rapidly as possible the staff can be organized and can begin

to function coincidental with the activities of the Atomic Energy Commission and other activities in the atomic field.

Respectfully submitted.

B. B. HICKENLOOPER,
Chairman, Joint Committee on Atomic Energy.

<i>Salaries</i>	<i>Annual basic rate</i>
Director-----	\$7, 320. 00
Deputy director-----	7, 320. 00
5 section chiefs, at \$5,040-----	25, 200. 00
Office manager-----	4, 620. 00
4 assistant section chiefs, at \$4,620-----	18, 480. 00
10 secretaries at \$2,100-----	21, 000. 00
4 investigators, at \$4,600-----	18, 480. 00
3 auditors, at \$4,620-----	13, 860. 00
File clerk-----	1, 920. 00
Messenger-----	1, 200. 00
Total-----	119, 400. 00
Additional compensation under Public Law 390, 79th Cong., approved May 24, 1946-----	55, 421. 87
Estimated annual salary account-----	174, 821. 87

MISCELLANEOUS ITEMS (ANNUAL)

Consultant fees estimated annually, 15, at \$50, 5 days a month each--	\$45, 000. 00
Travel (expenses incident to services to be covered by this fund)-----	25, 000. 00
Annual contingent fund-----	10, 000. 00
Total-----	80, 000. 00
Amount of appropriation annually-----	254, 821. 87
Amount of appropriation asked until June 30, 1947 (proportionate share for remainder of fiscal year ending June 30, 1947, 1/3 of above) -----	84, 940. 62

The CHAIRMAN. You may proceed.

APPROPRIATION REQUESTED FOR REMAINDER OF FISCAL YEAR 1947

Senator HICKENLOOPER. At the bottom of the last page we show the amount required for a third of a year to finance the committee up to the 30th of June.

Our budget may be altered between now and the preparation of the general appropriation bill in the light of experience the committee may gain.

FUNCTIONS OF JOINT COMMITTEE ON ATOMIC ENERGY

The CHAIRMAN. Will you tell the committee, because this looks like a large amount for any committee of the Congress, the general functions of the committee as you see them, and how this money will be utilized?

Senator HICKENLOOPER. Yes.

In the first place, the Joint Committee on Atomic Energy was created by the Atomic Energy Act of 1946, going into effect last August.

It is a joint committee composed of nine Members of the House and nine Members of the Senate, and it is charged, as set out in the act, the pertinent portions of which are set out in the summary, with maintaining continuing studies of the problems of atomic energy.

Senator Tydings and Senator Russell are well acquainted with that phase of it.

It is contemplated that the Joint Committee of the Congress must maintain these studies in order to gain any perspective of this pioneering field. That is a thing I cannot overemphasize to this committee, that atomic energy in this country or any other place else, is completely in the pioneering stage, and may I say, in all fairness, that this budget we have submitted again in no way can be represented to you gentlemen as an exact budget based upon experience, because we have no experience.

It is a budget based on our assumption, or rather our assumption of the responsibility and duties of this joint committee, and what we believe to be the reasonable needs of the joint committee in setting up a proper staff to meet these responsibilities.

We do not know what we will need. We may need more. We may be able to function with less.

We have substantial responsibilities, but we are different from a standing committee of the House or Senate in that we cannot get funds from the contingent fund of either body. We must rely on appropriations. That is the only source of funds we have. Therefore, we must have the money appropriated. We cannot go into either House and in a week's time get authorization to spend more money from the contingent fund.

The joint committee was created by law approved last August, but no appropriation made. All of the committee's activities were paid for with funds from the Senate contingent fund.

Senator TYDINGS. After this June 30, will it be proper for this to come under the legislative appropriations bill?

SOURCES OF FUNDS NOW BEING USED

Senator HICKENLOOPER. Yes; but we have no funds now, Senator, and we are still living on the tag end of the funds that came from the Senate contingent fund and the Senate section is paying its staff and reporters and all expenses out of the Senate contingent fund because we have no appropriation.

Senator BROOKS. Is it not a fact that the committee did not use all of the funds the contingent fund gave it, and that was recently transferred to your committee?

Senator HICKENLOOPER. Yes. That was \$10,000 or \$11,000 transferred from the Senate special committee to the Senate section of the joint committee to be used in the present hearings. These hearings on commission confirmations are primarily obligations of the Senate because the House section is not a part of the investigative procedure on confirmation.

FUNCTIONS OF JOINT COMMITTEE

Now referring briefly to page 1, we have set out section (b) of subsection 15 of the law, which our committee wants to call to the attention of this committee, I quote:

The joint committee shall make continuing studies of the activities of the Atomic Energy Commission and of problems relating to the development, use, and control of atomic energy.

I will interpose there to emphasize that part of our responsibility.
[Continuing:]

The Commission shall keep the joint committee fully and currently informed with respect to the Commission's activities.

And then some other matters about special duties of each section in connection with the legislation.

The CHAIRMAN. What you are going to do is a policing job?

Senator HICKENLOOPER. Mr. Chairman, may I say we will not only do a policing job but we will do an investigative and study job, if you please. If you will read the law you will find the joint committee is charged with informing itself and with studying the developments. There is only one way we feel that it can be done, and we are united in the feeling it must be done, in view of the fact there is no history of operations of this kind. Nobody knows what the future of atomic energy will be. We have no history of peacetime development of atomic energy.

Our committee is going to have to recommend legislation, and the probabilities are it will be of such a technical nature that both Houses of Congress may have to rely heavily on information developed by this joint committee.

PRESENT ESTIMATE OF MINIMUM SET-UP OF STAFF

If you will turn to the back page it will give you an outline of what we anticipate the present minimum requirements set-up of our staff will be.

The first column is the annual basic-pay rate, at which we hope eventually to find people—and some we have already found—who are competent.

For the Director of the entire service we now have engaged the services of a man who I believe is uniquely qualified.

We also have a Deputy Director who I believe has very special qualifications for that job.

Then we will have five section chiefs—Section of Intelligence, Section of Information, Section of Audit, etc.

Senator HAYDEN. Research?

Senator HICKENLOOPER. We will have a Research Section, but that will be implemented by others, and an office manager and four assistant section chiefs.

The CHAIRMAN. You are going to have this right here in the Capitol?

Senator HICKENLOOPER. Yes, sir.

Senator BROOKS. Would you tell the chairman of the Committee on Rules where you are going to put them?

Senator HICKENLOOPER. I may say I have been bothering the life out of the chairman of the Rules Committee, and he has been telling me repeatedly where he will not put them.

I think we will work that out eventually. The chairman of the Rules Committee has been very cooperative.

AMOUNT REQUESTED FOR REMAINDER OF FISCAL YEAR 1947

The CHAIRMAN. I would like to ask you, Senator Hickenlooper, is when you will be able to hire your staff. It is almost March 1, and

this bill may not go through until a few days after March 1. I would like to know whether or not you will need as much as you stipulate for a 4-months period.

Senator HICKENLOOPER. Depending entirely upon when you get our money, Mr. Chairman, that answer would rest.

I will have to say to the committee that I cannot be sure that we will need all of this money, but the situation is this, if we can get this committee staffed at the earliest possible moment with people who are desirable and acceptable and competent, we should get them.

If we have a 30-day delay before we get this committee staffed, we will not need all of this money. If we could go to the contingent fund of the House or Senate and get an allowance, it would be a different matter, but let me say this again, Mr. Chairman, because this is a pioneering field, and we have no history to go by and because it is a field of such vital importance, I feel justified, as much as I like economy, I feel justified in saying to this committee that I think we had better have a little extra money to turn back at the end of the year than to be curtailed.

PRESENT NEED FOR FUNDS

We have been handicapped because we now have three desirable people we cannot put on the pay roll today. We cannot hire them. They are key people, but we have no funds. They may get a job before we can get them on the pay roll, but I think they will wait until our committee is able to put them on.

ITEM FOR PAYMENT OF CONSULTANT FEES

Let me call attention to one thing. We have one item that is more or less uncertain. That is consultant fees estimated annually on a basis of \$50 per day, 15 employees, 5 days a month each, \$45,000.

We have no idea how many consultants and specialists we will need. We have taken the best estimate that we may need 15 consultants 5 days a month.

The CHAIRMAN. Do you have any authorization by law to pay consultants?

Senator HICKENLOOPER. Yes, the law specifies that.

The CHAIRMAN. The general law covers consultants only up to \$10,000 a year.

Mr. THOMPSON. That is out of the contingent fund.

Senator HICKENLOOPER. If it is limited by some law, I do not know. The Atomic Energy Act says the joint committee is entitled to appoint and fix the compensation of such expert consultants and technicians and clerks and stenographic assistants, but the compensation so fixed shall not exceed the compensation prescribed under the Classification Act for comparable duty.

REQUEST FOR TEN SECRETARIES

Senator TYDINGS. Why do you need 10 secretaries at \$2,100?

Senator HICKENLOOPER. Those are stenographers. The volume of business, as the Senator knows is great. The Senate section of the

Atomic Energy Committee spent approximately \$85,000 in a year in merely the study of the law and answering the mail. How many secretaries did we have?

Mr. THOMPSON. Five or six.

Senator HICKENLOOPER. Five or six for the Senate section. We are sure we will need more secretaries than that.

Senator TYDINGS. Here is what is going through my mind. We are not disposed to be parsimonious about this, but as I see this thing expanding, you are going to need the Senate Office Building to take care of this in the next 5 years.

I am wondering whether we are going to ever get right on it. Because, as atomic energy becomes popular and used in peacetime procedures, and we have all of the patents, it is a Government monopoly, and we are going to acquire an enormous organization here in the Senate.

Senator HICKENLOOPER. I will say to the Senator he knows as much about this as I do. He was as active as anyone else in the preparation of this legislation and is familiar with it, and I will say to the Senator, as I said a moment ago, we do not have any pattern on which to go. We do not know. We have merely given the best estimate for the kind of staff we think we will need in order to meet the responsibilities imposed on us by law.

QUESTION AS TO USING EMPLOYEES OF ATOMIC ENERGY COMMISSION

Senator TYDINGS. Of course, I left the Atomic Energy Committee, which has been continued—but may I ask the Senator if he has explored the possibility of utilizing the employees of the Atomic Commission?

Senator HICKENLOOPER. Yes, sir.

Senator TYDINGS. As to filling vacancies to do the work for which we are setting up the staff?

Senator HICKENLOOPER. Yes. I will say to the Senator we will make a big mistake in view of the Reorganization Act, we will make a great mistake if we rely for our information and services upon a body or commission over which we must exercise legislative supervision.

Senator TYDINGS. I see the point; but I still think that 5 or 6 years from now, if this system keeps on and the work piles up, and people apply for patents, it seems to me that you are going to need up here an awfully large force, and I believe it is going to get to the point where a man cannot be a Senator and run this committee too.

Senator HICKENLOOPER. I certainly have a sympathetic feeling for that, Senator.

Senator TYDINGS. I admire you for taking that view, because 5 or 6 years from now the Senator in charge of the committee will not be able to do anything but handle atomic matters.

Senator HICKENLOOPER. Given 2 or 3 years' experience, we will have a better idea. We shall not attempt to become scientists or run laboratories, or anything of that kind, and the time is going to come—and I think before too long—when there will be legislative proposals to Congress which will be substantial in their changes and we will want to know whether our plants are operating with reasonable efficiency.

I wish I could be more specific, but there is no history to guide us.

Senator TYDINGS. I would like to say, Mr. Chairman, I served on this committee with the present chairman for a long while and I think he did a magnificent job, and I think the magnitude of this thing is such that we cannot deny him any reasonable request that he sees fit to make.

ESTIMATE FOR ATOMIC ENERGY COMMISSION AND PURPOSE OF FUNDS
REQUESTED FOR JOINT COMMITTEE ON ATOMIC ENERGY

Senator HAYDEN. What will we allow the Atomic Energy Commission?

Senator HICKENLOOPER. Somewhere between a quarter and half a billion dollars.

Senator HAYDEN. You are asking for a quarter of a million to exercise supervision over the expenditure of a quarter or a half billion?

Senator HICKENLOOPER. I do not know, when we come in on the general appropriation bill, what will happen. That may be a different picture, but we are asking this money for employees who can discharge their duties.

It is supervision over a completely unknown and unexplored field, if you please, in which Congress is going to have the responsibility of passing legislation in the future and keeping up with the trends, and not alone the supervision over the spending of money.

The CHAIRMAN. I might add one thing—and supervision over possible questionable personnel. That is just my private opinion.

Senator HICKENLOOPER. There is a corner of my mind devoted to that thought.

UTILIZATION OF FBI AND OTHER GOVERNMENT EMPLOYEES

Senator TYDINGS. Why do you have four investigators at \$4,620? Have you explored the matter of whether or not the Federal Bureau of Investigation might, in the course of their normal operations, perform that function?

Senator HICKENLOOPER. Yes, we have, and there is a special provision in this law, as the Senator knows subsection (e) of section 15, which is the provision setting up the committee, and the last sentence reads:

The committee is authorized to utilize the services, information, facilities, and personnel of the departments and establishments of the Government.

Now, I would say to the Senate, if it were not for that provision of the law, we probably would be asking for 25 or 30 investigators, but I think a method can be worked out so we can use other investigative agencies.

INVESTIGATING AND AUDITING WORK

Senator TYDINGS. I know you have given it a great deal more thought than I have, because I have been separated from the committee for several months, but I was wondering whether the Comptroller General could not do most of the auditing, and the Federal Bureau of Investigation do most of the investigating, and we could let it continue so you could manage it in addition to your other senatorial duties.

Senator HICKENLOOPER. I think perhaps we can, Senator, but I may suggest to you we have no pattern to go by. We have only set up four people under the classification of auditors. One is going to be a financial clerk to the committee. We do not expect to have full-dress audits because it would take 10 times the staff.

The Atomic Energy Commission will have general supervisory activities of its own. It will have four or five thousand employees, and there will be perhaps 50,000 people working in this field, but 40,000 of those will be working as contractors in the production and experiments in the various fields.

We do not propose to go in and conduct audits by certified public accountants, but we do expect to have people who have enough judgment and experience in the proper expenditure of money so that they can at least inform us whether any matter should be more minutely looked into.

Senator TYDINGS. I was wondering whether, between now and the 30th of June, if you would get your investigators from the Federal Bureau of Investigation and auditors from the General Accounting Office and start in with new legislation, and if you had real need for it, rather than to put it in now.

If we did that, that would save on a yearly basis about \$41,000 or \$42,000, which would curtail the net amount you are asking for about one-third.

Senator HICKENLOOPER. The subcommittee on the budget for the committee have discussed that question, and again I will say to the Senator we feel that there will be much investigating and information needed. I will say that we may have to obtain the service of other agencies besides the staff of the committee. We do not think that this committee will have a great staff self contained within itself to get the information. We will get any organization within the limits of the money we have, but I may say this is just our best estimate without evidence to go on.

Senator TYDINGS. I have no further questions.

The CHAIRMAN. Senator O'Mahoney.

Senator O'MAHONEY. I have no questions, but I wish to present another matter.

AMOUNT REQUESTED FOR REMAINDER OF FISCAL YEAR 1947

Senator McKELLAR. Mr. Chairman, how much was asked for?

The CHAIRMAN. \$84,940.62 for the last 4 months of the year.

Senator McKELLAR. \$84,940.62 for the last 4 months of the year.

The CHAIRMAN. Is there anything else, Senator Hickenlooper?

Senator HICKENLOOPER. I think if I could give the exact figures on the amount of the appropriation as a comparison with what the Senate special committee used, as compared with what the joint committee has expended or expects to use——

The CHAIRMAN. Thank you very much.

Senator O'MAHONEY. Mr. Chairman, would it be inappropriate for me to use 2 minutes' time?

The CHAIRMAN. Proceed, Senator.

UNITED STATES SENATE

STATEMENT OF HON. JOSEPH C. O'MAHONEY, A UNITED STATES
SENATOR FROM THE STATE OF WYOMINGCLAIM OF HENRY V. DE MOTT FOR SERVICES RENDERED SENATE SPECIAL WOOL
COMMITTEE DURING FISCAL YEAR 1940

Senator O'MAHONEY. I desire to present an amendment to the committee for the payment to Mr. Henry V. De Mott for services rendered to the Senate Special Committee to Investigate the Production, Transportation, and Marketing of Wool, in the amount of \$275. These services were rendered during the year 1940.

This was not called to my attention until January of this year. I have investigated the claim and am satisfied that the services were performed during the chairmanship of the late Senator Adams. They were rendered in connection with the preparation of evidence in the hearing.

I may say, when the Senate Special Committee on Wool went out of existence on the 31st of January 1947, we were able to turn back to the Senate an unexpended balance of \$2,175.27.

REASON CLAIM HAS NOT BEEN PAID

I was satisfied this claim was a just one, and made out a voucher to that effect, but Mr. Thompson reported to me, and I have his letter here, that the unexpended contingent fund at the end of each year is turned back into the Treasury, so that there was no authority to make the payment.

I have here the statement of Mr. De Mott showing service of 168 hours and a claim for \$275 at the rate of his salary, which was \$3,300 per annum, and a letter from the former secretary to Senator Adams certifying that Mr. De Mott was retained, and a statement from the special investigator who was in charge of the investigation at the time the services were rendered.

I believe the claim to be a just one and recommend it be paid.

The CHAIRMAN. Has this ever been presented before?

Senator O'MAHONEY. No, sir.

Senator TYDINGS. Do you know why?

Senator O'MAHONEY. It was presented to one of the former clerks of the committee and never called to my attention until January of this year, when I signed a voucher.

NATURE OF WORK PERFORMED

Senator McKELLAR. What did he do?

Senator O'MAHONEY. He prepared the hearings, lined up the witnesses, and took care of the transcript, all that sort of thing.

Senator FERGUSON. What was the date; was it 7 years ago?

Senator O'MAHONEY. In 1940, yes, but the letters I have presented will convince the members of the committee that the services were rendered.

Senator FERGUSON. Was this a special employment?

Senator O'MAHONEY. It was a special employment.

Senator FERGUSON. He has not worked for the committee since that date?

Senator O'MAHONEY. No; this committee has had no staff.

Thank you very much. I submit the file of correspondence I have. (The correspondence referred to is as follows:)

UNITED STATES SENATE, DISBURSING OFFICE,
Washington, January 30, 1947.

Hon. JOSEPH C. O'MAHONEY,
United States Senate.

DEAR SENATOR O'MAHONEY: I am returning the file of papers received from your office relative to the claim of Mr. Henry V. De Mott for services rendered the Senate Special Wool Committee during the fiscal year 1940.

Even though the Wool Committee is authorized to incur expenses out of its balance in the contingent fund through January 31, 1947, the unexpended balance in the appropriation for expenses of inquiries and investigations ordered by the Senate for the fiscal year 1940 has been credited back to the surplus fund in the Treasury.

Therefore, I have no way to make the disbursement in question, and would suggest that, as has been done several times in the past, it might be presented to the Appropriations Committee in connection with the next deficiency appropriation bill.

Respectfully,

OCO THOMPSON,
Financial Clerk, United States Senate.

MARCH 9, 1940.

United States Senate Special Wool Committee to Henry V. De Mott, Dr.:
Services as committee investigator, in connection with 1939 public hearings,
as follows:

	<i>Hours</i>
Preparing material for hearings: Oct. 16-22, 1939.....	45
Appearance at hearings and necessary work connected therewith: Oct. 23-24, 1939.....	29
Correction and editing of record of hearings:	
Stenographic record: Month of December 1939.....	41
Galley proof: Month of January 1940.....	31
Page proof: Month of March 1940.....	22
Total	168

Total hours involved approximate services for 1 month, computed at former
salary of \$3,300 per annum.....\$275

CROMELIN, TOWNSEND, CAMALIER & KIRKLAND,
Washington, D. C., January 29, 1947.

Hon. JOSEPH C. O'MAHONEY,
United States Senate, Washington, D. C.

MY DEAR SENATOR: I attach hereto a letter addressed to Mr. Henry V. De Mott, Hotel Pennsylvania, Washington, D. C., by Mr. E. S. Haskell, special investigator for the Committee on Public Lands and Surveys, United States Senate. This letter states that Mr. Haskell, while he was investigator for the special Senate committee to investigate the production, transportation, and marketing of wool, authorized the employment of Mr. Henry V. De Mott for services to be rendered the said committee for a period not to exceed 30 days.

Mr. Haskell's letter states that he authorized this employment in a memorandum addressed to me in my then capacity of clerk to the committee. This memorandum should be in the files of the committee, but for your information to the best of my recollection the statement by Mr. Haskell is true. I remember distinctly that the then chairman of the committee, former Senator Alva B. Adams, directed Mr. Haskell to obtain the services of Mr. De Mott to aid in

compiling the report which Mr. Haskell was then preparing. If I remember further correctly Mr. De Mott not only aided and assisted Mr. Haskell in the preparation of the report but he also appeared as a witness before the committee and this recollection is substantiated by the printed report of the hearings which are designated as part II under the dates of October 23, 24, and 25, 1939, on pages 441, 561, and 573, a copy of said hearings being available in the files of the committee.

In view of the circumstances surrounding the claim of Mr. De Mott for compensation for the hours spent under the authorization of the former chairman and Mr. Haskell I recommend that the committee honor this claim of \$275 for 160 hours of services which Mr. De Mott has stated were rendered. I have no reason to doubt the correctness of Mr. De Mott's claim and the only suggestion I wish to make is that the records now available be thoroughly searched that no duplication of payment be made. Mr. De Mott joins me in this suggestion.

To sum the matter up I recall the authorization of the chairman, Mr. Haskell, and myself, and I recall that Mr. De Mott appeared before the committee on or about the time for which he now makes claim for services, and the records will bear out this summation.

With kindest regards,
Sincerely yours,

R. F. CAMALIER.

WASHINGTON, D. C., January 28, 1947.

Mr. HENRY V. DE MOTT.
Hotel Pennsylvania, Washington, D. C.

DEAR MR. DE MOTT: This is with reference to your still unpaid bill of March 9, 1940, to the United States Senate Special Wool Committee, for the services which you rendered to that committee between the dates of October 16, 1939, and March 1940, amounting to \$275 for 168 hours of services.

This is to certify that I know, of my own knowledge, that such services were performed, and in the period stated. In fact, I know that you performed for the committee much more and longer service than that for which you are claiming compensation. These services were in connection with the preparation for and the conduct of the public hearings by the Senate committee.

Your employment for this work was authorized in a memorandum addressed to me by Mr. R. F. Camalier, then clerk of the committee, stating that the employment should be at the rate of salary for which you had previously been employed by the committee, and for a total of not to exceed 1 month of salary.

I know that you submitted your bill to the committee on or about March 9, 1940, and to the best of my knowledge it has not been paid by the committee up to this time.

Very truly yours,

E. S. HASKEL,
*Special Investigator for the Committee on Public Lands and Surveys,
United States Senate.*

OFFICE OF TEMPORARY CONTROLS OFFICE OF PRICE ADMINISTRATION

FUNDS NEEDED TO FUNCTION UNTIL MARCH 31, APRIL 30, AND MAY 31

(See p. 15.)

FUND REQUIREMENTS OF OFFICE OF TEMPORARY CONTROLS, OFFICE OF PRICE ADMINISTRATION ASSUMING TERMINATION OF PROGRAM ADMINISTRATION ON VARIOUS DATES AND THE LIQUIDATION OF THE OFFICE

In the brief time the agency had for responding to the request of the chairman, an attempt has been made to present the agency's administrative expense requirements. Although information presented has been developed as accurately as possible, it does not constitute the thoroughly considered judgment which would be possible if more time was available.

Some of the assumptions made in developing this information are as follows:

1. The administration of all programs will cease on the dates indicated, and the agency will be responsible for the major portion of the liquidating job which can be carried out in the 90-day period following program termination.

2. Program administration will cease on the date indicated, but the sorting, indexing, processing, and disposal of records; property disposal, official program termination actions and employee separation notice actions cannot be inaugurated until the program ending date.

3. Figures used do not include alternate possibilities such as the transfer of the administration of one or more of the present programs to another Federal agency. Such action, which might involve transfer of OPA personnel devoted to such programs to the receiving agency would change the cost estimates considerably.

It must be understood that although the bulk liquidation job would be completed within the 90-day period following program termination, a minimum liquidation job would remain for completion over a long period of time. Examples of liquidation actions which could not be finally completed in the 90-day period are as follows:

1. Completion of all fiscal activities involving the audit of outstanding claims and the submission of vouchers to the Treasury Disbursing Office for payment or submission of claims to the General Accounting Office for final settlement; completion of retirement records and bond accounts, etc.

2. Final disposition of program records to the Archives or other depositories.

3. Storage of records which have to be available in connection with fiscal claims for a number of years as stipulated by law.

4. Completion of final audit work in connection with various subsidy operations now being carried on by the OPA staff. Although this work will be substantially completed by the end of the 90-day liquidating period, undoubtedly some work will remain unfinished.

5. Completion of certain legal work, such as that performed by the boards of review as required by an amendment to section 203 (c) of the Emergency Price Control Act; court review activities, price interpretations, protests, etc.

6. Completion of litigation on claims against price violators in connection with violations occurring prior to decontrol. As indicated in the oral testimony, the Government has claims against such violators amounting to more than \$75,000,000 at single damages. Final litigation on many of these cases will not have been completed by the end of September 1947.

For purposes of a simplified estimate, the assumption is made that other Federal agencies will take over these responsibilities at the end of the 90-day liquidating period.

Two tables are presented. One table breaks down the operating costs of the OPA, reflecting regular operating costs and terminal leave costs of employees terminated through March 31. The other table picks up the accumulative obligation estimates for full operations, at the end of the various months used in the assumption and reflects the additional costs during the 90-day liquidating period.

Projection of obligations by month, fiscal year 1947

	Total duty-status cost	Terminal leave	Total personal services	Other objects	Total obligations for month	Cumulative obligations	Unobligated balance of \$101,000,000 (end of month)	Operating rate (exclusive of terminal leave)
July.....	\$9,245,211	\$429,006	\$9,674,217	\$1,595,480	\$11,269,697	\$11,269,697	\$89,730,303	\$10,840,691
August.....	9,145,292	4,403	9,149,695	1,936,709	11,086,404	22,356,101	78,643,899	11,082,007
September.....	9,195,355	7,005	9,202,360	1,825,524	11,027,884	33,383,985	67,616,015	11,020,879
October.....	10,292,415	47,485	10,339,900	2,201,668	12,541,568	45,925,553	55,074,447	12,494,083
November.....	8,228,922	986,577	9,215,499	1,830,584	11,046,083	56,971,636	44,028,364	10,059,506
December.....	7,530,716	7,452,150	14,982,866	1,395,876	16,378,742	73,350,378	27,649,622	8,926,592
January.....	4,718,028	939,200	5,657,228	925,552	6,582,780	79,933,158	21,066,842	5,820,580
Transfers.....				177,000	177,000	80,110,158	20,889,842	
February.....	4,444,745	188,290	4,633,035	862,560	5,495,595	85,605,753	15,394,247	5,307,305
March.....	4,346,095	359,450	4,705,545	858,460	5,564,005	91,169,758	9,830,242	5,204,555
April.....	4,213,402		4,213,402	829,372	5,042,774	96,212,532	4,787,468	5,042,774
May.....	4,209,953		4,209,953	829,372	5,039,325	101,251,857	-251,857	5,039,325
June.....	4,208,771		4,208,771	829,372	5,038,143	106,290,000	-5,290,000	5,038,143
Total.....	79,778,905	10,413,566	90,192,471	16,097,529	106,290,000	106,290,000	-5,290,000	95,876,434

¹ Funds transferred to other agencies: FTC, \$125,000; OWMR, \$52,000; total, \$177,000.

Total requirements, including liquidation for 90 days, fiscal years 1947 and 1948, depending on date programs are terminated

	Program termination at—			
	Mar. 31, 1947	Apr. 30, 1947	May 31, 1947	June 30, 1947
Liquidation activities.....	\$5,727,531	\$5,727,531	\$5,727,531	\$5,727,531
Terminal leave.....	7,051,752	7,051,752	7,051,752	7,051,752
Total liquidation.....	12,779,283	12,779,283	12,779,283	12,779,283
Cumulative operating obligations (including transfers).....	91,169,758	96,212,532	101,251,857	106,290,000
Total requirements.....	103,949,041	108,991,815	114,031,140	119,069,283
Appropriation available.....	101,000,000	101,000,000	101,000,000	101,000,000
Additional requirements.....	2,949,041	7,991,815	13,031,140	18,069,283
Distribution of additional requirements by fiscal years:				
1947.....	2,949,041	6,299,161	10,189,860	15,290,000
1948.....		1,692,654	2,841,280	12,779,283

¹ Requirements for fiscal year 1947 are less if programs are terminated at June 30 than at May 31 because the first month's liquidation cost, \$9,938,003, including \$5,699,849 terminal leave to 10,952 employees, is thus deferred beyond July 1, while the added operating costs for June amount to only \$5,038,143.

RECORDS PROGRAM OF THE OPA

The Office of Price Administration will finish their work on records as soon after termination of program as any agency of which we have knowledge. This will be possible because all officials of the agency prior to their termination have helped, or will help, in eliminating useless papers and in selecting and arranging records of value. This work will be done while such officials are on notice of termination. Without this arrangement, the job of liquidating the records of the agency would require years of work.

The size of the job of liquidating OPA records is apparent from their quantity. There were in the agency at the time of VJ-day about 1,250,000 cubic feet of records. The records were scattered all over the country, in regional and district offices, in area rent offices, and in war price and rationing boards. There are now in the agency the following quantities of records in terms of cubic feet:

Program	National office	Field offices	Total
	<i>Cubic feet</i>	<i>Cubic feet</i>	<i>Cubic feet</i>
Administrative.....	6,000	20,000	26,000
Accounting.....	6,000	3,000	9,000
Enforcement.....	3,000	9,000	12,000
Information.....	1,000	500	1,500
Price.....	5,000	9,000	14,000
Price board management.....	500	500	1,000
Rationing.....	1,000	500	1,500
Rent.....	2,000	125,000	127,000
Sugar rationing.....	2,000	25,000	27,000
Total.....	26,500	192,500	219,000

The greater proportion of the remaining records are used for continuing operations, such as sugar rationing, rent control, and enforcement activities. These constitute about 75 percent of the total remaining.

As the various rationing, price control, price-board management, and information programs were terminated, a selection of the records of enduring value was made by program and operating personnel, in accordance with instructions issued by the Record Branch of the National Office. The inactive records that were selected for preservation were concentrated in eight regional records depositories, where they are being further reduced by a limited number of persons working on the records program. The extent of the reduction that was initially made is apparent from the following statement: In the National Office, in which

the more important records of the agency are found, a 50-percent reduction has been made. In the field offices, the quantities of records on terminated programs were reduced as follows:

Rationing records other than sugar rationing from 700,000 to 500 cubic feet.

Price records from 250,000 to 9,000 cubic feet.

Price-board management records from 5,000 to 500 cubic feet.

Information records from 5,000 to 500 cubic feet.

The records program of the Office of Price Administration has been carried out as a cooperating enterprise. It has involved the participation of all officials of the agency while they were on terminal notice. It has obtained the benefit of the judgment of officials on the value of records they created in the course of their official activity. It has made possible a reduction of records by a selecting process, rather than by the more costly process of microphotographic reduction. It has made possible the completion of the records program shortly after the termination of various program activities.

As it is being conducted, the records program in the Office of Price Administration is being carried out as quickly and as cheaply as possible. The staff working exclusively with records is considerably less than that of other agencies with a comparable records job. As the program is carried to completion there will result a well selected and well organized body of records, stripped of all nonessential materials, which will be of great value to public administrators and public investigators. The present plans call for the participation of operating officials as their programs are terminated during the notice period. If there should be an abrupt end of the programs with no terminal-notice period, during which operating officials can be used to make selections for documentary purpose in accordance with the records program as outlined by the records branch, it will require a tremendous increase of personnel in the records branch.

The choice in this connection is to use qualified technical personnel who have worked with and are familiar with the records and who can do an intelligent and speedy job of records disposal or hire clerical personnel for a laborious, inaccurate program extending over a number of years.

The CHAIRMAN. There being nothing further, the hearings will be concluded.

(Whereupon, at 5:30 p. m., Tuesday, February 25, 1947, the hearings on the urgent deficiency appropriation bill, 1947, were concluded.)

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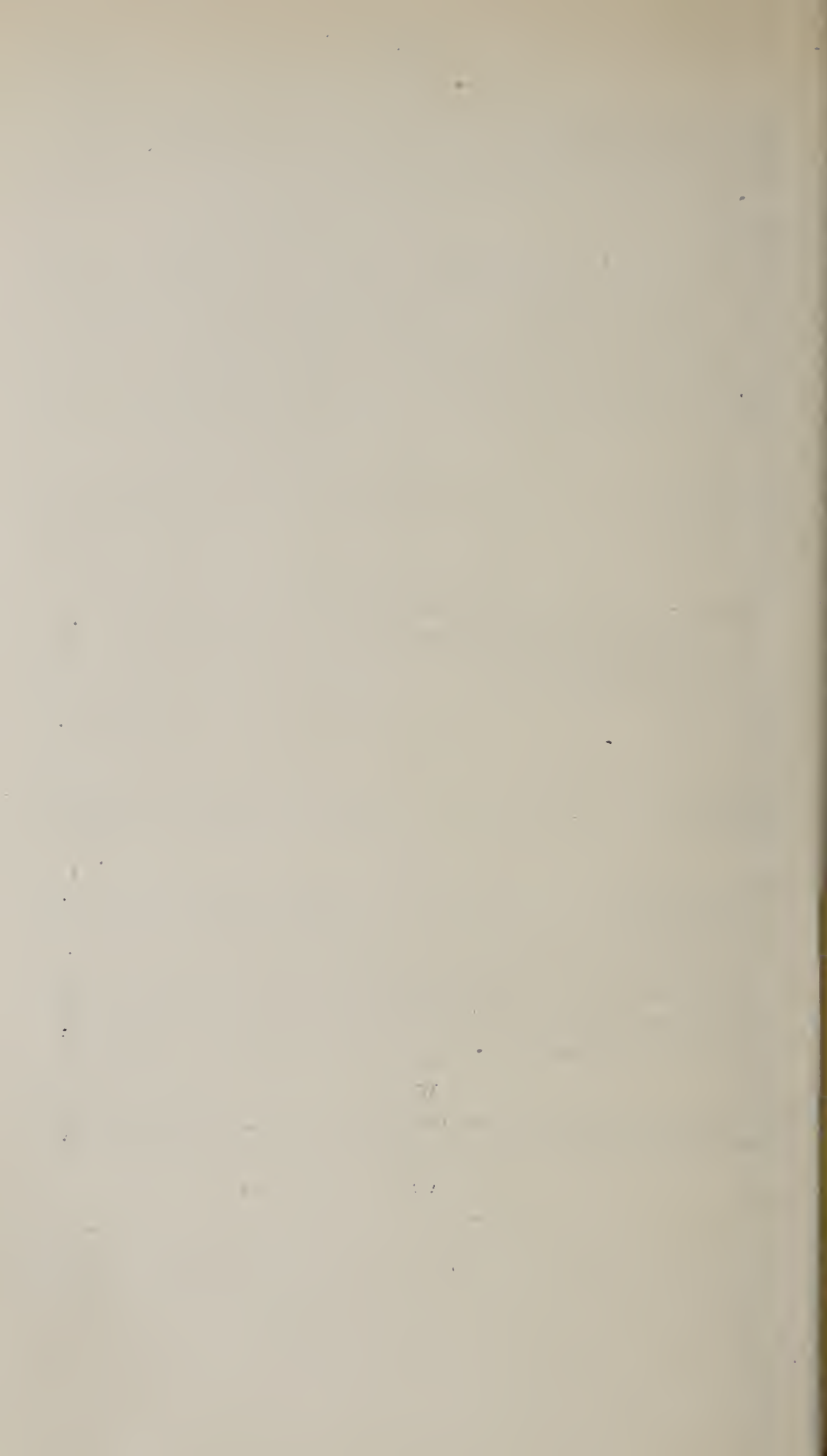
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Feb 28

DIGEST OF
CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Legislative Reports and Service Section
(For Department staff only)

Issued March 3, 1947
For actions of February 28, 1947
80th-1st, No. 39

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HIGHLIGHTS: Senate continued debate on Legislative Budget. Senate committee reported urgent deficiency appropriation bill, which includes various rescissions for USDA. Senate received President's request for continuation of international sugar agreement. President approved bill authorizing cooperation with Mexico in combatting foot-and-mouth disease and rinderpest. Rep. Hill introduced bill to provide price supports for wool. Rep. Whittington urged that Army-borrowed fertilizers be made available to farmers and commended USDA's 1946 distribution. Rep. Halleck announced that bill to provide for 6-months' extension and liquidation of farm-labor supply program would probably be taken up Tues., Mar. 4.

SENATE

1. LEGISLATIVE BUDGET. Continued debate on S. Con. Res. 7, the Legislative Budget (pp. 1583-1609). Rejected, 33-49, the Green amendment to provide that any excess of revenues over expenditures be applied to the public debt (p. 1591). Agreed, 82-0, to the Knowland amendment (as modified) to provide for payment of at least \$2,600,000,000 on the debt (p. 1591). Considered an amendment by Sen. Wherry to provide that surplus-property proceeds be applied to the debt, and agreed, 39-38, to the Tydings amendment to this amendment providing that such amount may be considered a part of the \$2,600,000,000 (p. 1608).
2. SUGAR. Received from the President a protocol prolonging for 1 year after Aug. 31, 1946, the international sugar agreement (p. 1576).
Received a resolution from the S. C. Legislature favoring additional sugar for Americans (p. 1579).
3. FARM LABOR. Received an Idaho Legislature memorial favoring continuation of the farm-labor supply program (p. 1576).
4. PERSONNEL. Received a petition from the Federal Employees Veterans Association, Phila., favoring an investigation of administration of the Veterans' Preference Act of 1944 (p. 1576).
5. FOOT-AND-MOUTH DISEASE. Received Mont. and Nebr. Legislature memorials favoring additional protection from this disease (pp. 1577-8).
6. APPROPRIATIONS. The Appropriations Committee reported with amendments H. R.

1968, the urgent deficiency appropriation bill, which includes various rescissions for this Department (S. Rept. 43)(p. 1580).

7. ALASKA; TRANSPORTATION. The Interstate and Foreign Commerce Committee reported with amendments H. J. Res. 122, to authorize the Maritime Commission to provide for ocean transportation to Alaska (S. Rept. 42)(p. 1580).
8. FORESTRY; GRAZING. Received a Wyo. Legislature memorial stating that Forest Service grazing-reduction policies are unfair and recommending legislation (p.1578).
9. SAUERKRAUT CANNING. Sen. Wiley, Wis., inserted and discussed his letters to Secretary Anderson and Gen. Fleming criticizing "refusal" of OTC "to grant applications for the packing of sauerkraut in No. 2 cans" (pp. 1582-3).
10. NOMINATION. The Public Works Committee reported adversely the nomination of Gordon R. Clapp to be a Director of the Tennessee Valley Authority (p. 1580).
11. SCHOOL-LUNCH PROGRAM. Sen. Maybank, S.C., inserted a letter from Jesse T. Anderson, S.C. State Superintendent of Education, urging the appropriation of additional funds to continue the school-lunch program for the remainder of the school year (p. 1579).
12. RECESSED until Mon., Mar. 3 (p. 1609).

HOUSE

13. FERTILIZERS. Rep. Rankin, Miss., opposed the shipment of fertilizer abroad when it is in short supply in the U.S. (p. 1612).
14. FARM LABOR. Majority Leader Halleck announced that H.R. 2102, to provide for a six-months extension and liquidation of the farm-labor supply program, would probably be taken up on Tues., Mar. 4 (p. 1612).
Received an Idaho Legislature memorial urging continuation of the farm-labor supply program for the 1947 crop season (p. 1637).
15. TRANSPORTATION. Rep. O'Hara, Minn., urged prompt action to make available box-cars for the shipment of high moisture corn from the Midwest and Northwest, claiming that the corn will spoil if not moved before the mild weather commences (p. 1612).
16. LABOR. Passed, 345-56, H.R. 2147, the portal-to-portal pay bill (pp. 1612-30).
17. FOREIGN TRADE. Received a Maine Wollen Overseas Assoc. resolution urging the continuation of trade agreements with other nations, and a Racine (Wis.) Trades and Labor Council petition disapproving of further reduction in tariffs (p.1637).
18. WARTIME CONTROLS. In his Feb. 19 message to Congress (see Digest 33) the President recommended repeal of various temporary laws, including those which:
Authorize the Secretary of Agriculture to procure, transport, and distribute agricultural and other commodities and supplies to meet emergency needs of U.S. Territories and possessions.
Permit the Secretary of Agriculture to authorize expenditures not to exceed \$1,000,000 from certain prior appropriations, for protection against forest fires, without requiring an equal expenditure by the State and private owners.
Suspend tariff on coconuts.
Permit use of butter substitutes at St. Elizabeths Hospital.

CONCURRENT RESOLUTION OF SOUTH CAROLINA LEGISLATURE RELATING TO SUGAR

Mr. JOHNSTON of South Carolina. Mr. President, I ask unanimous consent to present for appropriate reference and printing in the RECORD a concurrent resolution adopted by the House and Senate of the State of South Carolina memorializing and petitioning the Congress of the United States and other agencies of the Federal Government to take whatever steps are needful and necessary to make a greater amount of sugar available to the American people.

There being no objection, the concurrent resolution was received, referred to the Committee on Banking and Currency, and, under the rule, ordered to be printed in the RECORD, as follows:

Concurrent resolution memorializing and petitioning the Congress of the United States and other agencies of the Federal Government to take whatever steps needful and necessary to make a greater amount of sugar available to the American people

Whereas sugar has always been the most indispensable and the best loved essential in the diet of the American people; and

Whereas for years this element of saccharin bliss has been only enough to tease and never enough to satisfy the palate of 140,000,000 Americans; and

Whereas to the appetite that cries out for jams, jellies, preserves, frosted cakes, pies, and candies even as the ancient Hebrews sighed for the fleshpots of Egypt the mere canning of fruits and the gnawing of sweet-potato candy can never bring to the sweet tooth of the American people that feeling of deep content and satisfaction which long has been its solace and heritage; and

Whereas soon every household in the land will have access to another crop of berries, fruits, and produce which, without adequate sugar become as tasteless and unsatisfying as the apples of Sodom; and

Whereas in order to secure again a reasonable indulgence of appetites long sensitive to the sweet and the delectable the American people are willing to part with a little more money, which satisfieth not, in exchange for more sugar, which satisfieth much: Now, therefore, be it

Resolved by the house of representatives (the senate concurring), That the Congress of the United States be, and hereby is, respectfully and prayerfully implored, memorialized and petitioned to take whatever steps needful and necessary, along with any and all other agencies of the Federal Government, to make available at whatever cost more of this delightful and tantalizing element of nutritional enjoyment commonly known as sugar to the end that once again meal time may become the sweet and pleasurable hour for which millions of American homes have long sighed and pined in vain; be it further

Resolved, That a copy of this resolution be forwarded to the Presiding Officer of each House of the Congress, to the Secretary of Agriculture, and to each Representative in the two Houses of Congress from the State of South Carolina.

The PRESIDENT pro tempore laid before the Senate a concurrent resolution identical with the foregoing, which was referred to the Committee on Banking and Currency.

FREE SCHOOL LUNCH PROGRAM IN SOUTH CAROLINA

Mr. MAYBANK. Mr. President, I ask unanimous consent to have printed in the RECORD and appropriately referred a letter addressed to me by Jesse T. Ander-

son, State superintendent of education of my State, showing the necessity for additional appropriations for the free hot-lunch program for the children of South Carolina.

There being no objection, the letter was referred to the Committee on Labor and Public Welfare, and ordered to be printed in the RECORD, as follows:

STATE OF SOUTH CAROLINA,
DEPARTMENT OF EDUCATION,
Columbia, S. C., February 21, 1947.
Senator BURNET R. MAYBANK,
Washington, D. C.

DEAR SENATOR MAYBANK: We are now facing a situation that will be most detrimental to the program unless some additional Federal funds are made available through a deficiency appropriation. We find that South Carolina will need \$320,965 more to continue the program until the end of the school term. Without this, our money will run out between the 15th of March and the 1st of April.

As you know, the hot-lunch program in South Carolina has met with marked success and our State legislature has probably gone further than most of the States in providing for the services. You will recall that the State pays the salary of a supervisor for each county and appropriates an additional \$150,000 that is given to the county boards of education in promoting the program, and it would be a calamity upon our program should we be forced to close our lunchrooms. It is practically impossible for the school-lunch program to continue without Federal funds and I am herewith urging you to use your influence in seeing that the deficiency appropriation is made and that South Carolina's needs will be met.

With best wishes to you, I am,
Very sincerely yours,

JESSE T. ANDERSON,
State Superintendent of Education.

PROTESTS AGAINST DISCONTINUANCE OF CERTAIN SERVICES BY WESTERN UNION TELEGRAPH CO.

Mr. LANGER. Mr. President, I ask unanimous consent to have printed in the body of the RECORD five telegrams which I have received from my State of North Dakota; one from the Rudolf Hotel, another from the Anderson Furniture Co., a third from the Valley City Times Record, one from Duffy Motors, and one from Valley City Junior Chamber of Commerce, all of Valley City, N. Dak.

I might call the attention of the Senate to the fact that at the time the vote was taken on the measure providing for the consolidation of the Western Union and the Postal Telegraph Cos. 11 Senators voted against the consolidation. We said at that time that it would create a monopoly. The telegrams ask that the Western Union Telegraph Co. be prohibited from shortening the hours of service at certain of its offices and closing certain of its offices.

There being no objection, the telegrams were ordered to be printed in the RECORD as follows:

VALLEY CITY, N. DAK., February 21, 1947.
Senator WILLIAM LANGER,
Senate Office Building,
Washington, D. C.:

Western Union imperative to our business as well as others in community. Please try to discontinue shortening of office hours and closing office.

RUDOLF HOTEL.

VALLEY CITY, N. DAK., February 21, 1947.
Senator WILLIAM LANGER,
Senate Office Building,
Washington, D. C.:

Please do utmost discontinue closing and shortening office hours of the Western Union Telegraph. Telegraph cannot function properly if this does not stop.

ANDERSON FURNITURE CO.,
W. B. KRAUSE.

VALLEY CITY, N. DAK., February 21, 1947.
Senator WILLIAM LANGER,
Washington, D. C.:

Please do utmost discourage closing of Western Union offices or shortening of office hours. This service necessary to all communities.

VALLEY CITY TIMES-RECORD.

VALLEY CITY, N. DAK., February 21, 1947.
Senator WILLIAM LANGER,
Washington, D. C.:

It is essential to have Western Union service in this community as well as others. Please try discontinue closing offices or shortening office hours.

DUFFY MOTORS.

VALLEY CITY, N. DAK., February 22, 1947.
Senator WILLIAM LANGER,
Washington, D. C.:

Appreciate your support that Western Union must stop closing offices and reducing hours. Understand FCC now considering. Service necessary to all communities.

VALLEY CITY JUNIOR CHAMBER
OF COMMERCE.

ALLOWANCES GRANTED CHILDREN OF VETERANS

Mr. BALDWIN. Mr. President, I ask unanimous consent to have incorporated in the RECORD excerpts from a letter written to me by the widow of a veteran of the last war, a man who gave his life in the battle of the North Atlantic, commenting upon the monthly allowance to a growing child under the present law and commenting on a proposed law which would increase the allowances for the support and maintenance of widows of veterans who gave their lives for their country, and also providing for their children.

There being no objection the matter referred to was ordered to be printed in the RECORD, as follows:

HARTFORD, CONN., February 20, 1947.
The Honorable RAYMOND E. BALDWIN,
Senator from Connecticut,
Washington, D. C.

DEAR SENATOR BALDWIN: * * * Because you have introduced this bill, I know that you are aware that \$15 is an inadequate amount for the monthly allowance of a growing child. At the present level of prices the milk requirement alone, for a child, consumes more than 50 percent of the monthly allowance. You may have noticed in the newspapers recently, a case in the Connecticut courts, where the children's aid asked \$14 weekly from a father for the board, medical and dental care of a child. They deemed this amount necessary for the care of the child.

I believe the greatest honor we can do these men, who have given their lives, is to see that their children have the security and freedoms for which they fought. I am sure that my husband, a brilliant young physician who lost his life in the North Atlantic in 1943, while serving with the United States

Coast Guard, would ask no greater memorial than the welfare and security of his sons.

Believe me,

Yours faithfully,

FRANCES F. CHAMBERLIN
(Mrs. T. L.).

REPORTS OF COMMITTEES

The following reports of committees were submitted:

By Mr. WILEY, from the Committee on the Judiciary:

S. J. Res. 69. Joint resolution to prepare a revised edition of the Annotated Constitution of the United States of America as published in 1938 as Senate Document 232 of the Seventy-fourth Congress; with an amendment (Rept. No. 41).

By Mr. MAGNUSON, from the Committee on Interstate and Foreign Commerce:

H. J. Res. 122. Joint resolution to authorize the United States Maritime Commission to make provision for certain ocean transportation service to and from Alaska until July 1, 1948, and for other purposes; with amendments (Rept. No. 42).

By Mr. BRIDGES, from the Committee on Appropriations:

H. R. 1968. A bill making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1947, and for other purposes; with amendments (Rept. No. 43).

REPORTS OF COMMITTEE ON BANKING AND CURRENCY

Mr. FLANDERS. Mr. President, from the Committee on Banking and Currency, I ask unanimous consent to report two bills which have been introduced at the request of the Treasury Department. The Banking and Currency Committee has considered them, and I now report the bills from that committee.

The PRESIDENT pro tempore. Without objection, the reports will be received, and the bills will be placed on the calendar.

By Mr. FLANDERS, from the Committee on Banking and Currency:

S. 565. A bill to amend section 3539 of the Revised Statutes, relating to taking trial pieces of coins; without amendment (Rept. No. 39); and

S. 566. A bill to amend sections 3533 and 3536 of the Revised Statutes with respect to deviations in standing of ingots and weight of silver coins; without amendment (Rept. No. 40).

ADVERSE REPORT OF A NOMINATION

Mr. REVERCOMB. Mr. President, as in executive session, from the Committee on Public Works, I ask unanimous consent to submit an adverse report on the nomination of Gordon R. Clapp, of Tennessee, to be a member of the Board of Directors of the Tennessee Valley Authority for the remainder of the term expiring 9 years after May 18, 1945, to which office he was appointed during the last recess of the Senate.

The PRESIDENT pro tempore. Without objection, the report will be received and placed on the Executive Calendar.

REPORT ON ACTIVITIES OF THE INTERNATIONAL LABOR ORGANIZATION CONFERENCE AT MONTREAL, CANADA

Mr. THOMAS of Utah. Mr. President, I ask unanimous consent to have made a part of my remarks and printed in the body of the RECORD a statement in the nature of a report to the Senate on the activities of the International Labor

Organization Conference at Montreal, Canada, September 19 to October 9, 1946, at which conference I had the honor to be one of the national representatives of the United States.

There being no objection, the statement was ordered to be printed in the RECORD, as follows:

Mr. President, an important conference of most of the nations of the world has recently been concluded. The twenty-ninth session of the International Labor Conference was held in Montreal, Canada, from September 19 to October 9, 1946. Forty-six member nations sent representatives, and two nonmember nations, the Philippine Republic and El Salvador, sent observers. There were 8 representatives of the United Nations, 5 representatives of other specialized international agencies, and 14 representatives of provincial governments among the 429 persons participating in the conference.

I attended this conference as one of the two Government delegates nominated by the Secretary of Labor and appointed by the President of the United States.

Members of the Senate will recall that the ILO is an association of nations that has been in existence for 27 years. Fifty-two nations are members of the organization. The ILO is unique among international organizations—both management and labor are voting partners in the work of the ILO. At this twenty-ninth session of the conference, Mr. James David Zellerbach represented American employers, Mr. Robert J. Watt represented the workers of the United States, and Assistant Secretary of Labor David A. Morse and I were the Government delegates. Mr. AUGUSTINE B. KELLEY, of the House, and Miss Frieda Miller, of the Department of Labor, served as substitute delegates. There were also qualified technical persons present to advise the Government, employer, and worker delegates. It was a well-rounded and cooperative delegation—a good team.

Important action was taken at this conference. First, from the standpoint of international significance was the approval of the draft agreement between the ILO and the United Nations. This was the first agreement negotiated under article 57 of the United Nations Charter. When the agreement was approved by the General Assembly of the United Nations in December 1946, the ILO was thereupon brought into relationship with the United Nations Economic and Social Council as a specialized agency.

The agreement will permit the ILO to continue its unique position as an organization devoted to improving working conditions and raising living standards throughout the world. It will also permit cooperation with the United Nations Economic and Social Council to accomplish their mutual objectives of promoting higher living standards, full employment, and social and economic progress and development. Finally, the agreement provides for coordination in the administration of ILO and United Nations affairs for reasons of efficiency and economy.

Both contracting organizations believe that their association will contribute greatly to the realization of their mutual objectives. As Secretary-General Trygve Lie of the United Nations told the conference:

"The United Nations needs the full and active support of the International Labor Organization. On the other hand, the International Labor Organization is bound to be strengthened by its close relationship with the United Nations and other specialized agencies."

The Secretary-General also told the Conference of the effect ILO had already had upon the United Nations. He said:

"The successful experience of the International Labor Organization was the most important single factor in developing the new idea of specialized agencies. That ex-

perience proved the value of separate organizations, with a large measure of autonomy, operating as instruments of international cooperation in their specific fields."

The second important achievement of the conference was the amendment of the ILO constitution. The experiences of the ILO during the war, the dissolution of the League of Nations, and the establishment of the United Nations were factors requiring revision of the constitution of the Organization.

The Conference had placed before it for adoption a substantial number of significant amendments to the constitution. These amendments were adopted by the Conference and now must be ratified by member states. Since the United States is one of the eight states of chief industrial importance, five of which must ratify amendments before they take effect, this Government's ratification of these amendments is of real importance to the organization. Ratification of these amendments is also of importance to this Government because the amendments satisfy in almost every detail the interests of the United States and will, it is believed, greatly strengthen the ILO as the principal international agency for raising labor standards. The Congress will have to take action, and I am informed that proper measures are being taken to present the revised constitution to us for consideration. Since United States membership in the ILO was taken by the President upon the basis of a joint resolution of both Houses, it may be appropriate for the revised constitution to be ratified in the same manner. In connection with ratification of the revised constitution of the ILO, the Senate may be interested to know that the representatives of the governors of 43 States endorsed it at the thirteenth national conference on labor legislation held in December 1946. This is particularly significant in view of the increased State participation in ILO work made possible by the new constitution.

Two of the amendments to the constitution merit brief discussion:

1. PROVISIONS FOR APPLICATION OF CONVENTIONS AND RECOMMENDATIONS

The present constitution provides that conventions or recommendations adopted by the Conference are to be submitted by member governments to the appropriate national authorities for the enactment of legislation or other action. In the case of a convention, if the member obtains the consent of the competent authorities, it communicates a formal ratification to the ILO and reports annually to the ILO on the measures it has taken to give effect to the convention. If a convention is not ratified, or no action is taken on a recommendation, no further obligation rests upon the member. In the case of federal states, like the United States, the power of which to enter into conventions on labor matters is limited, the governments are permitted to treat conventions as recommendations.

The Conference delegation considering revision of the constitution took the view that the work of the organization to raise labor standards might be made more effective by providing for a system of reporting on the extent to which effect is given to any of the provisions of an unratified convention and stating the difficulties which prevent or delay the ratification of the convention.

At the Conference itself, the government representatives of Australia, Canada, and the United States recommended a joint amendment, which clarified further the obligations to be assumed by Federal States. This joint amendment was presented to the constitutional questions committee by the United States Government representative and was adopted without objection. It provides that for conventions covering subjects that lie within the power of the Federal Government, the obligations of Federal Governments are the same as governments of nonfederal states.

URGENT DEFICIENCY APPROPRIATION BILL, 1947

FEBRUARY 28 (legislative day, FEBRUARY 19), 1947.—Ordered to be printed

Mr. BRIDGES, from the Committee on Appropriations, submitted the
following

REPORT

[To accompany H. R. 1968]

The Committee on Appropriations, to whom was referred the bill (H. R. 1968) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1947, and for other purposes, report the same to the Senate with various amendments and present herewith information relative to the changes made.

Amount of bill as passed House	\$139, 360, 000. 00
Amount added by Senate.....	41, 606, 231. 40
Amount of bill as reported to Senate.....	180, 966, 231. 40

The estimates upon which the bill is based are contained in House Documents Nos. 55, 60, 61, 63, 76, 83, and Senate Documents Nos. 10 and 12. House Documents Nos. 55 and 83 and Senate Document No. 10 are rescission documents. House Documents Nos. 60, 61, 63, and 76, and Senate Document No. 12 contained estimates for appropriations, totaling \$324,970,000.

OFFICE OF PRICE ADMINISTRATION

The bill as it passed the House provided for a rescission of \$9,000,000 of the funds of OPA and denied the request of the OPA for an additional appropriation of \$5,950,000. In making the proposed rescission the House committee in its report stated:

After lengthy hearings, the committee is convinced that if the residual activities are administered on an economical basis, and all surplus employees are immediately separated from the pay rolls, it will be possible for the agency to discharge its full responsibilities under the law, wind up its affairs, and turn over all necessary records to the Archivist and, at the same time, not only avoid the deficiency, but make possible a rescission of an additional \$9,000,000.

The representatives of the OPA before the Senate Committee on Appropriations testified that the reduction in the funds of the agency as proposed by the House would, for all practical purposes, stop rent control, and sugar rationing and sugar price control as of February 28, and that by the House action, OPA was deprived of sufficient funds necessary to meet the legal terminal pay obligation and liquidation costs which would amount to \$12,779,283.

The Senate committee is proposing that the \$9,000,000 rescission proposed by the House be retracted, and that an appropriation of \$7,991,815 be made to permit the OPA to carry on until June 30, 1947, and to provide for all liquidation activities and the payment of all terminal leave.

The committee expects OPA by a drastic reduction in its personnel and the practice of other economies to continue its programs until June 30, and make provision for the payment of terminal leave and other liquidation activities within the sum of \$7,991,815 proposed.

The committee also added the following proviso, making provision for the liquidation of the affairs of the agency by June 30, 1947.

: Provided, That it is the intent of the Congress that all funds heretofore and herein appropriated shall be used to defray all expenses incident to the closing and liquidation of the Office of Price Administration and the Office of Temporary Controls by June 30, 1947.

The changes recommended by the committee in the amounts of the House bill are as follows:

INCREASES AND LIMITATIONS

Title I—General Appropriations

Legislative:

Senate:

Payment to Margaret S. Andrews, widow of Charles O. Andrews, late a Senator from the State of Florida.....	\$10, 000. 00
Payment to Edith Pou Bailey, widow of Josiah W. Bailey, late a Senator from the State of North Carolina.....	10, 000. 00
Disbursing Office:	
Additional clerical assistance.....	1, 000. 00
Appropriations Committee:	

The committee recommend that the following provision be added to the bill:

The sum of \$50,000 made available out of the contingent fund of the Senate by the Legislative Branch Appropriation Act, 1947, for the purpose of enabling the Senate Committee on Appropriations to employ expert and clerical assistance, is hereby made available for the employment of a consultant at not to exceed \$35 per day when actually employed, including all pay increases authorized by the Federal Employees Pay Act of 1945, as amended.

Payment to Henry V. DeMott.....	275. 00
This amount is for payment to Henry V. DeMott for services rendered the Special Committee Investigating the Production, Transportation, and Marketing of Wool during the months of October and December 1939, and January and March 1940. The amount recommended is for 1 month at the rate of \$3,300 per annum.	

Legislative—Continued

Senate—Continued

Office of Sergeant at Arms and Doorkeeper:

Amount necessary to increase the salary of 1 clerk from \$2,500 to \$3,300, effective Mar. 1, 1947-----

\$267. 00

Telephone operators-----

3, 600. 00

The amount recommended is for the employment of 6 additional telephone operators from Mar. 1 to June 30, 1947, at \$1,800 each per annum. In connection with the need for additional telephone operators for the Capitol switchboard, the Senate Sergeant at Arms submitted to the committee the following information:

"The Capitol telephone switchboard has been increased in size to the extent of 11 additional operating positions. This increase was made to furnish each Senator and each Member of the House one additional telephone line, and to enable the switchboard, in general, to cope with the recent greatly increased demands for long-distance and departmental service.

"During the last session of the Seventy-ninth Congress six operators were capable of handling the long-distance board. Since the Eightieth Congress convened it has been necessary to have 12 operators on long-distance work.

"In order to operate 11 additional positions on the board 16 additional operators will be required. It is requested that the Senate furnish 6 of them and the House of Representatives furnish 10. It is understood that the House will provide for its share by House resolution for the remainder of this fiscal year and later include funds for its share in the next legislative bill."

Contingent expenses:

Rent of warehouse for storage of public documents-----

2, 174. 40

The amount proposed is in addition to the \$2,000 appropriated for rent of warehouse for storage of public documents in the Legislative Branch Appropriation Act, 1947, and the additional amount for the fiscal year is to cover an increase in rent on the property being charged by a new owner. The new owner will not agree to rent for less than the rate of 40 cents per square foot per annum, based upon 15,872 square feet. The Senate Sergeant at Arms pointed out to the committee that while this rate is more than three times the rate charged by the former owner, the Public Buildings Commission considers the new rate of 40 cents per square foot a reasonable rate. It was further pointed out that the new owner is now charging the old owner rent of 50 cents per square foot per annum for similar property adjacent to that occupied by the Senate warehouse.

Plans are being formulated to construct new quarters in the basement of the Senate Office Building to store the documents, and it is hoped that the present rented space can

Legislative—Continued

Senate—Continued

Contingent expenses—Continued

be vacated by June 30, 1947. If the space is provided in the Senate Office Building, the renting of space for the storage of documents will be discontinued. Under the Architect of the Capitol, the committee is recommending the appropriation of funds for the preparation of this space in the Senate Office Building.

Total, Senate-----\$27, 316. 40

Education of Senate and House Pages-----10, 600. 00

Sec. 243 of the Legislative Reorganization Act authorizes the Secretary of the Senate and the Clerk of the House of Representatives to arrange with the Board of Education of the District of Columbia for the education of congressional pages and pages of the Supreme Court in the public-school system of the District, this arrangement to include a provision for reimbursement to the District of Columbia for any additional expenses incurred by the public-school system in carrying out this arrangement.

The Secretary of the Senate and the Clerk of the House of Representatives appeared before the committee in behalf of this item. In recommending an appropriation of \$10,600 for the period beginning Jan. 2, 1947, and continuing through the close of the current fiscal year, the committee recommend that the following language be added to the bill:

EDUCATION OF SENATE AND HOUSE PAGES

For reimbursement to the District of Columbia for education of congressional pages and pages of the Supreme Court, from January 2, 1947, pursuant to the provisions of section 243 of the Act of Congress entitled "An Act to provide for increased efficiency in the Legislative Branch of the Government", approved August 2, 1946, fiscal year 1947, \$10,600, which amount shall be credited to the appropriation for "General supervision and instruction, public schools, District of Columbia, 1947", and the Board of Education of the District of Columbia is hereby authorized to employ such personnel for the education of pages as may be required and to pay compensation for such services from January 2, 1947, in accordance with such rates of compensation as the Board of Education may prescribe: Provided, That the facilities provided for the education of such pages shall be available from and after January 2, 1947, also for the education of such other minors who are congressional employees as may be certified by the Secretary of the Senate and the Clerk of the House of Representatives to receive such education.

Joint Committee on Atomic Energy-----50, 000. 00

The amount recommended is for the last 4 months of the current fiscal year. The estimate of the amount needed for the remaining 4 months of the current fiscal year submitted to the Appropriations Committee by the chairman of the Joint Committee on Atomic Energy amounted to \$84,940.62, or

Legislative—Continued

Joint Committee on Atomic Energy—Continued

\$254,821.87 on a 12-month basis. Of the amount requested, the committee is recommending \$50,000, which will provide an average of \$12,500 per month for the four remaining months of the current fiscal year. The committee recommend that the maximum amount to be paid consultants be fixed at not exceeding \$35 gross each per day while actually employed instead of \$50, as requested of the committee.

Committee on Federal Expenditures	\$7, 500. 00
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Architect of the Capitol:

Senate Office Building	32, 000. 00
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The amount recommended is to provide space in the Senate Office Building for the Senate folding room (now housed in a rented building which has been sold and for which a higher rent is being charged, as explained under the item "Contingent expenses—rent of warehouse for storage of public documents").

Total, Legislative	127, 416. 40
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Office of Defense Transportation:

Salaries and expenses	13, 000. 00
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Office of Temporary Controls:

Salaries and expenses, Office of Price Administration	7, 991, 815. 00
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(For the purposes for which this amount is recommended, see discussion above under the heading "Office of Price Administration.")

The committee recommend that the following proviso be added to the bill:

: provided, That it is the intent of the Congress that all funds heretofore and herein appropriated shall be used to defray all expenses incident to the closing and liquidation of the Office of Price Administration and the Office of Temporary Controls by June 30, 1947.

Federal Security Agency:

Bureau of Employees' Compensation:

Employees' compensation fund	3, 474, 000. 00
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Public Law 650, approved Aug. 7, 1946, provides for the same level of benefits for the fiscal years 1942 and 1943 as the act of Dec. 2, 1942, provided for 1944 and subsequent years for repatriated employees of contractors employed by the Government and detained by the enemy while engaged in employment outside the continental United States. This legislation created an obligation amounting to \$2,928,185, of which the committee was advised \$474,000 can be met from the balance remaining in the original fund to cover prior benefits. The net cost of \$2,454,185 is included in the \$3,474,000 recommended.

The committee was further advised that the remaining \$1,019,815 is necessary to meet the accruing disability and death benefits under the

Federal Security Agency—Continued

Bureau of Employees' Compensation—Continued

Employees' compensation fund—Continued

Federal Employees' Compensation Act of 1916, as amended, which have resulted from delayed filing of claims by employees of Federal war manufacturing plants.

The secretary to the Commission stated at the hearing that the balance in the employees' compensation fund at the close of business Feb. 25, 1947, was \$179,000.

The committee recommend that the following language be added to the bill:

, to be expended in accordance with the provisions of Public Law Numbered 650, Seventy-ninth Congress, second session, and the Federal Employees' Compensation Act of 1916, as amended.

Veterans' Administration:

Administration, medical, hospital, and domiciliary services-----

\$30, 000, 000. 00

The original 1947 appropriation for this item was \$553,805,915. A deficiency estimate was submitted to the House of \$307,258,000. The House committee in its report pointed out that the deficiency estimate was submitted to the Budget Bureau on Jan. 7, that it was transmitted to Congress on Jan. 30, and that the Veterans' Administration's explanatory matter and justifications were presented to the House committee on Feb. 8. In view of this situation, the House committee states in its report that there was not sufficient time to make a detailed study of the situation, and that, in allowing \$135,000,000 of the estimate of \$307,258,000, it was felt that this amount should be sufficient to meet requirements until Mar. 31, 1947. The House committee stated that, although it was unwilling to make the entire \$307,258,000 available now, it was willing to make part of the amount available now in order to meet the emergency which will arise before the end of February due to the original 1947 appropriation being exhausted.

General Bradley advised the committee that \$30,000,000 will be needed for obligation through Mar. 31, 1947, in addition to the \$135,000,000 allowed by the House. He stated in part as follows:

"Our actual average monthly obligations for the first 6 months of the current fiscal year were slightly over \$74,000,000 and our supplemental estimates contemplated average monthly obligations for the year of approximately \$75,778,000. Our obligations through January, which were not available at the time of our appearance before the Appropriations Committee of the House, have increased our actual monthly average to \$77,000,000 per month, and the average for the months of December and January is \$91,000,000 per month. It may be pointed out that 51 percent of our obligations for January 1947 were for medical, hospital, domiciliary and out-patient activities, with the balance representing operating expenses in connection with our other programs, such as insurance, compensation and pension, vocational rehabilitation and education, loan guarantee, etc.

Veterans' Administration—Continued

Administration, medical, hospital, and domiciliary services—Continued

"I have issued instructions that will reduce personnel, travel, overtime, and fee-basis services, although I am not in a position at this time to estimate the extent of this reduction that can be effected without curtailing essential services to veterans. I am of the opinion, however, that the Veterans' Administration should have available for obligation for the months of February and March, 1947, only slightly less than the December-January average, which would entail increasing the proposed \$135,000,000 by \$30,000,000."

Total increase, title I..... \$41, 606, 231. 40

Amount of bill as reported to Senate—
title I..... 180, 966, 231. 40

Title II—Rescissions

The following tabulation is a comparison of the amounts recommended for rescission by the House and amounts proposed by the Senate committee:

	Amounts proposed by House bill	Amounts proposed by Senate bill	Increase (+) and decrease (—) Senate bill compared with House bill
Office of Price Administration.....	\$9,000,000.00	-----	—\$9,000,000.00
Civilian Production Administration.....	2,400,000.00	\$2,400,000.00	-----
Office of War Mobilization and Reconversion.....	60,000.00	60,000.00	-----
Other items recommended in H. Doc. No. 55:			
Appropriations.....	562,688,579.48	562,511,886.19	—176,693.29
Contract authorizations.....	132,000,000.00	132,000,000.00	-----
Other items recommended in H. Doc. No. 83: Appropriations.....	-----	280,000.00	+280,000.00
Other items recommended in S. Doc. No. 10: Appropriations.....	-----	209,265.00	+209,265.00
Total.....	706,148,579.48	697,461,151.19	—8,687,428.29

RETRACTIONS OF RESCISSIONS

Office of Temporary Controls:

Office of Price Administration..... \$9, 000, 000. 00

Office of Civilian Production Administration:

Salaries and expenses:

The committee recommend that the proviso proposed by the House, making provision for the liquidation of this agency be amended to read as follows:

Provided, That the Civilian Production Administration shall be discontinued and its affairs shall be entirely liquidated not later than June 30, 1947

Office of Temporary Controls—Continued

Office of War Mobilization and Reconversion:

It is recommended by the committee that the rescission proposed by the House which reads as follows:

Salaries and expenses, Office of War Mobilization functions, Office of Temporary Controls, 1947, \$60,000.

be amended to read as follows:

Salaries and expenses, Economic Stabilization, Office of War Mobilization and Reconversion functions, Office of Temporary Controls, 1947, \$44,000.

Salaries and expenses, guaranteed annual wage plans, Office of War Mobilization and Reconversion functions, Office of Temporary Controls, 1946-47, \$16,000.

Veterans' Administration:

Military and naval compensation-----	\$16, 693. 29
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Treasury Department:

Bureau of Federal Supply, working capital fund, duplicating services, Procurement Division-----	160, 000. 00
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This retraction was recommended by the Treasury Department because a further review of the status of the fund revealed an outstanding obligation of \$160,000, which could not be met if the rescission of \$1,483,480.02, as originally proposed by the Treasury Department, were permitted to stand.

Total retraction of rescissions-----	9, 176, 693. 29
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ADDITIONAL RESCISSIONS

Federal Works Agency:

Public Roads Administration:

Access roads (national defense)-----	204, 942. 00
Strategic highway network (national defense)-----	4, 323. 00

Treasury Department:

Bureau of Accounts:

Emergency relief, liquidation fund-----	280, 000. 00
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Total additional rescissions-----	489, 265. 00
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Net retractions of rescissions-----	8, 687, 428. 29
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Amount of rescissions carried in title II-----	697, 461, 151. 19
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80TH CONGRESS
1ST SESSION

Calendar No. 39

H. R. 1968

[Report No. 43]

IN THE SENATE OF THE UNITED STATES

FEBRUARY 19, 1947

Read twice and referred to the Committee on Appropriations

FEBRUARY 28 (legislative day, FEBRUARY 19), 1947

Reported by Mr. BRIDGES, with amendments

[Omit the part struck through and insert the part printed in italic]

AN ACT

Making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1947, and for other purposes.

1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, to supply urgent
5 deficiencies in certain appropriations for the fiscal year
6 ending June 30, 1947, and for other purposes, namely:

TITLE I—GENERAL APPROPRIATIONS

LEGISLATIVE

SENATE

For payment to Margaret S. Andrews, widow of Charles O. Andrews, late a Senator from the State of Florida, \$10,000.

For payment to Edith Pou Bailey, widow of Josiah W. Bailey, late a Senator from the State of North Carolina, \$10,000.

For additional clerical assistance in the Disbursing Office at the rate of \$3,000 per annum from March 1 to June 30, 1946, fiscal year 1947, \$1,000.

The sum of \$50,000 made available out of the contingent fund of the Senate by the Legislative Branch Appropriation Act, 1947, for the purpose of enabling the Senate Committee on Appropriations to employ expert and clerical assistance, is hereby made available for the employment of a consultant at not to exceed \$35 per day when actually employed, including all pay increases authorized by the Federal Employees Pay Act of 1945, as amended.

For payment to Henry V. DeMott for services rendered the special committee investigating the production, transportation, and marketing of wool during the months of October and December 1939, and January and March 1940, one

1 month at the rate of \$3,300 per annum, fiscal year 1940,
2 \$275.

3 For an amount necessary to increase the salary of one
4 clerk under the Office of the Sergeant at Arms from \$2,500
5 to \$3,300, effective March 1, 1947, fiscal year 1947, \$267,
6 and the Legislative Branch Appropriation Act for the fiscal
7 year 1947 hereby is amended accordingly.

8 For the employment of six additional telephone operators
9 from March 1 to June 30, 1947, at \$1,800 each per annum,
10 fiscal year 1947, \$3,600.

11 For an additional amount for rent of warehouse for
12 storage of public documents, fiscal year 1947, \$2,174.40.

13 HOUSE OF REPRESENTATIVES

14 For payment to the widow of William J. Gallagher,
15 late a Representative from the State of Minnesota, \$10,000.

16 For payment to the widow of William B. Barry, late
17 a Representative from the State of New York, \$10,000.

18 For payment to the widow of Robert K. Henry, late
19 a Representative from the State of Wisconsin, \$10,000.

20 EDUCATION OF SENATE AND HOUSE PAGES

21 For reimbursement to the District of Columbia for edu-
22 cation of congressional pages and pages of the Supreme
23 Court, from January 2, 1947, pursuant to the provisions
24 of section 243 of the Act of Congress entitled "An Act to

1 provide for increased efficiency in the Legislative Branch of
2 the Government", approved August 2, 1946, fiscal year
3 1947, \$10,600, which amount shall be credited to the appro-
4 priation for "General supervision and instruction, public
5 schools, District of Columbia, 1947", and the Board of
6 Education of the District of Columbia is hereby authorized
7 to employ such personnel for the education of pages as may
8 be required and to pay compensation for such services from
9 January 2, 1947, in accordance with such rates of compen-
10 sation as the Board of Education may prescribe: Provided,
11 That the facilities provided for the education of such pages
12 shall be available from and after January 2, 1947, also
13 for the education of such other minors who are congressional
14 employees as may be certified by the Secretary of the Senate
15 and the Clerk of the House of Representatives to receive
16 such education.

17 JOINT COMMITTEE ON ATOMIC ENERGY

18 For salaries and expenses of the Joint Committee on
19 Atomic Energy created by section 15 of the Atomic Energy
20 Act of 1946, including compensation of consultants at such
21 rates as may be fixed by the committee but not exceeding \$35
22 gross each per day while actually employed, fiscal year 1947,

1 \$50,000, to be disbursed by the Secretary of the Senate on
2 vouchers approved by the chairman; and the Secretary of the
3 Senate hereby is authorized to advance to the committee on
4 the receipt of the chairman such sums within the appropria-
5 tion as may be necessary from time to time to defray inci-
6 dental expenses, to be accounted for in the same manner as
7 provided by law for Senate committees.

8 COMMITTEE ON FEDERAL EXPENDITURES

9 For an amount which is hereby authorized to enable the
10 Joint Committee on Reduction of Nonessential Federal Ex-
11 penditures to carry out the duties imposed upon it by section
12 601 of the Revenue Act of 1941 (55 Stat. 726), to remain
13 available during the existence of the committee, \$7,500, to
14 be disbursed by the Secretary of the Senate.

15 ARCHITECT OF THE CAPITOL

16 Senate Office Building: For an additional amount,
17 fiscal year 1947, for maintenance, including the objects
18 specified under this head in the Legislative Branch Appro-
19 priation Act, 1947, \$32,000, to be expended by the Archi-
20 tect of the Capitol for structural and mechanical alterations
21 and improvements to provide accommodations in the Senate
22 Office Building for the Senate folding room, including all
23 necessary incidental expenses in connection therewith.

1 EXECUTIVE OFFICE OF THE PRESIDENT

2 OFFICE FOR EMERGENCY MANAGEMENT

3 OFFICE OF DEFENSE TRANSPORTATION

4 Salaries and expenses: For an additional amount, fiscal
5 year 1947, for "Salaries and expenses"; ~~\$130,000~~ \$143,000.

6 OFFICE OF TEMPORARY CONTROLS

7 *Salaries and expenses: For an additional amount, fiscal*
8 *year 1947, for carrying out the functions of the Office*
9 *of Price Administration transferred by Executive Order*
10 *9809 of December 12, 1946, to the Office of Temporary*
11 *Controls, \$7,991,815, which amount shall be merged with*
12 *the funds transferred, pursuant to said Executive order, from*
13 *the appropriation "Salaries and expenses", Office of Price*
14 *Administration, in the Third Deficiency Appropriation Act,*
15 *1946. Funds transferred to the Office of Temporary Con-*
16 *trols pursuant to Executive Order 9809 in connection with*
17 *the transfer of functions by said Executive order shall be*
18 *available for the payment of claims pursuant to part 2 of*
19 *the Federal Tort Claims Act (Public Law 601, Seventy-*
20 *ninth Congress) arising, respectively, from the activity*
21 *concerned: Provided, That it is the intent of the Congress*
22 *that all funds heretofore and herein appropriated shall be*
23 *used to defray all expenses incident to the closing and liquida-*
24 *tion of the Office of Price Administration and the Office*
25 *of Temporary Controls by June 30, 1947.*

INDEPENDENT OFFICES

FEDERAL SECURITY AGENCY

BUREAU OF EMPLOYEES' COMPENSATION

Employees' compensation fund: For an additional amount, fiscal year 1947, for "Employees' compensation fund", \$3,474,000, to be expended in accordance with the provisions of Public Law Numbered 650, Seventy-ninth Congress, second session, and the Federal Employees' Compensation Act of 1916, as amended.

VETERANS' ADMINISTRATION

Administration, medical, hospital, and domiciliary services: For an additional amount, fiscal year 1947, for "Administration, medical, hospital, and domiciliary services", ~~\$135,000,000~~ \$165,000,000: *Provided*, That the amount available to repair, alter, improve, or provide facilities in the several hospitals and homes under the jurisdiction of the Veterans' Administration is increased to \$5,500,000; and the limitation on travel expenses imposed by section 105 of the Independent Offices Appropriation Act, 1947, is increased to \$8,043,000.

Military and naval insurance: For an additional amount, fiscal year 1947, for "Military and naval insurance", \$1,000,000, to remain available until expended.

Vocational rehabilitation revolving fund: To increase the "Vocational rehabilitation revolving fund (Act of March

1 24, 1943)”, created by the Urgent Deficiency Appropria-
2 tion Act, 1943, \$200,000.

3 TREASURY DEPARTMENT

4 FISCAL SERVICE—BUREAU OF ACCOUNTS

5 Division of Disbursement, salaries and expenses: For an
6 additional amount, fiscal year 1947, for “Division of Dis-
7 bursement, salaries and expenses”, \$3,000,000.

8 TITLE II—REDUCTIONS IN APPROPRIATIONS
9 AND AUTHORIZATIONS

10 Amounts available to the departments and agencies from
11 appropriations and other funds are hereby reduced in the
12 sums hereinafter set forth, such sums to be carried to the
13 surplus fund and covered into the Treasury immediately
14 upon the approval of this Act:

15 EXECUTIVE OFFICE OF THE PRESIDENT

16 Office for Emergency Management:

17 Office of Scientific Research and Development:

18 Working fund, Executive, Emergency Manage-
19 ment (Office of Scientific Research and Develop-
20 ment), 1942–1946, \$2,044,477.

21 Working fund, Executive, Emergency Manage-
22 ment (Office of Scientific Research and Develop-
23 ment), 1940–1946, \$160,744.

Working fund, Executive, Emergency Management (Office of Scientific Research and Development), 1945, \$6,688,979.

Office of Temporary Controls:

Salaries and expenses, Civilian Production Administration functions, Office of Temporary Controls, 1947, \$2,400,000: *Provided*, That the Civilian Production Administration shall be discontinued and its affairs ~~placed in liquidation~~ *shall be entirely liquidated* not later than June 30, 1947.

Salaries and expenses, Office of Price Administration functions, Office of Temporary Controls, 1947, \$9,000,000.

Salaries and expenses, Office of War Mobilization functions, Office of Temporary Controls, 1947, \$60,000.

Salaries and expenses, Economic Stabilization, Office of War Mobilization and Reconversion functions, Office of Temporary Controls, 1947, \$44,000.

Salaries and expenses, guaranteed annual wage plans, Office of War Mobilization and Reconversion functions, Office of Temporary Controls, 1946-1947, \$16,000.

FUNDS APPROPRIATED TO THE PRESIDENT

Emergency fund for the President, national defense,
1942-1947, \$2,500,000.

INDEPENDENT OFFICES

Atomic Energy Commission: Atomic energy, Executive (allotment to Atomic Energy Commission), 1942-1947, \$40,000,000.

Price Decontrol Board: Salaries and expenses, Price Decontrol Board, 1947, \$195,212.

United States Maritime Commission:

Construction fund, United States Maritime Commission, Act June 29, 1936, revolving fund, \$265,000,000, and the contract authorization under this head is hereby reduced in the sum of \$132,000,000.

Emergency ship construction fund, United States Maritime Commission, \$1,251,691, together with the unexpended balance: *Provided*, That hereafter the United States Maritime Commission construction fund shall be available for the payment of obligations previously incurred against the emergency ship construction fund.

Working fund, Maritime Commission (Navy Department), \$60,265,686.

Working fund, Maritime Commission (War Department), 1942-1945; working fund, Maritime Commis-

1 sion (War Department), 1945; working fund, Maritime
2 Commission (War Department), 1942-1946, \$834,845.

3 Working fund, United States Maritime Commission,
4 War Shipping Administration functions, December 31,
5 1946, \$358,679.

6 Working fund, United States Maritime Commis-
7 sion, War Shipping Administration functions, 1945,
8 \$270,006.

9 Veterans' Administration:

10 Adjusted service and dependent pay, Veterans' Ad-
11 ministration, \$71,631.

12 ~~Military and naval compensation, Veterans' Ad-~~
13 ~~ministration, \$16,693.29.~~

14 Military and naval family allowance, Veterans' Ad-
15 ministration, \$11,155.97.

16 Hospital facilities and services, Veterans' Adminis-
17 tration, \$8,469.39.

18 Vocational rehabilitation, Veterans' Administration,
19 \$6,441.71.

20 FEDERAL SECURITY AGENCY

21 Office of Education:

22 Working fund, Federal Security Agency, Office of
23 Education, 1946, \$2,600.

24 Working fund, Federal Security Agency, Office

1 of Education (advance from Veterans' Administration),
 2 1947, \$41,800.

3 Public Health Service: Working fund, United States
 4 Public Health Service, 1946, \$12,664.

5 Office of the Administrator:

6 Civilian war benefits, Federal Security Agency,
 7 1947, \$18,000.

8 Civilian war assistance, Federal Security Agency,
 9 1947, \$1,000,000.

10 FEDERAL WORKS AGENCY

11 Public Buildings Administration:

12 Social Security Board and Railroad Retirement
 13 Board buildings, Washington, District of Columbia,
 14 Public Buildings Administration, \$46,914.

15 War Department buildings, Washington, Dis-
 16 trict of Columbia, Public Buildings Administration,
 17 \$150,000.

18 Great plaza development, triangle, Washington,
 19 District of Columbia, Public Buildings Administration,
 20 \$7,250.

21 Emergency construction of public buildings, Public
 22 Buildings Administration, act of June 19, 1934, \$5,955,
 23 together with the unobligated balance as of June
 24 30, 1947.

25 Emergency construction of public buildings, Public

Buildings Administration, Act of August 12, 1935, \$5,755, together with the unobligated balance as of June 30, 1947.

Emergency construction of public buildings, Public Buildings Administration, Act of June 22, 1936, \$11,661, together with the unobligated balance as of June 30, 1947.

Federal office buildings numbered 2 and 3, in or near the District of Columbia, Public Buildings Administration, unobligated balance, June 30, 1947.

Emergency safeguarding of public buildings and property, Public Buildings Administration, \$10,000, together with the unobligated balance as of June 30, 1947.

Working capital fund, Public Buildings Administration, \$2,500.

Veterans' decentralization allowances, Public Buildings Administration, 1947-1948, \$40,000.

Materials testing laboratory and equipment, National Bureau of Standards (transfer to Federal Works Agency, Public Buildings Administration), \$7,797.

Working fund, Federal Works Agency, Public Buildings Administration, \$126,445.

1 Working fund, Federal Works Agency, Public
2 Buildings Administration, 1946, \$51,453.

3 Public Roads Administration:

4 Access roads, Public Roads Administration (national
5 defense), ~~\$1,897,030~~ \$2,101,972.

6 Strategic highway network, Public Roads Admin-
7 istration (national defense), ~~\$278,158~~ \$282,481.

8 Flood relief, Missouri, Mississippi, Louisiana, and
9 Arkansas, for restoration of roads and bridges, Public
10 Roads Administration, unobligated balance, June 30,
11 1947.

12 NATIONAL HOUSING AGENCY

13 Federal Public Housing Authority:

14 National defense housing, temporary shelter, Office
15 of Administrator, National Housing Agency (transfer to
16 Federal Public Housing Authority), \$142,098.

17 War housing in and near the District of Columbia,
18 Federal Public Housing Authority, \$85,469.

19 Construction fund, United States Maritime Com-
20 mission, Act June 29, 1936 (transfer to National
21 Housing Agency, Federal Public Housing Authority),
22 \$574,096.

DEPARTMENT OF AGRICULTURE

Office of the Secretary:

Working fund, Agriculture, general, \$23,666.77.

Working fund, Agriculture, general, 1942-1946,
\$78,669.52.

Bureau of Agricultural Economics: Working fund, Agriculture, Bureau of Agricultural Economics, \$16.25.

Extension Service:

Working fund, Agriculture, Extension Service,
1941-1946, \$3,655.

Working fund, Agriculture, Extension Service
(special fund), \$475.76.

Agricultural Research Administration:

Office of the Administrator:

Removal and reestablishment of Arlington
Farm, Virginia (transfer to Agriculture), \$162,-
400.18.

Working fund, Agriculture, Agricultural Research Administration, 1942-1946, \$34,813.89.

Working fund, Agriculture, Agricultural Research Administration, 1946, \$48,000.

Bureau of Plant Industry, Soils, and Agricultural

1 Engineering: Rubber investigations, Bureau of Plant
2 Industry, Soils, and Agricultural Engineering, \$105.70.

3 Forest Service:

4 Working fund, Agriculture, Forest Service, 1942-
5 1946, \$51,465.66.

6 Working fund, Agriculture, Forest Service, 1946,
7 \$82,823.93.

8 Acquisition of lands, \$36.56.

9 Soil Conservation Service:

10 Working fund, Agriculture, Soil Conservation Serv-
11 ice, 1941-1946, \$128.

12 Working fund, Agriculture, Soil Conservation Serv-
13 ice, 1942-1946, \$26,069.

14 Production and Marketing Administration:

15 Conservation and use of agricultural land resources,
16 Department of Agriculture, 1946-1947, \$8,945,000.

17 Administration of Price Adjustment Act of 1938,
18 Department of Agriculture, \$85,638.

19 Exportation and domestic consumption of agricul-
20 tural commodities, Department of Agriculture (cotton
21 price adjustment), \$139,068.

22 Payments for agricultural adjustment, Department
23 of Agriculture, \$4,505.

Community facilities, defense public works, Office of Administrator, Federal Works Agency (transfer to Agriculture), \$11,895.

DEPARTMENT OF COMMERCE

Bureau of the Census:

Working fund, Commerce, Bureau of the Census, 1947, \$21,500.

Working fund, Commerce, Bureau of the Census, 1946, \$11,385.

Coast and Geodetic Survey:

Working fund, Commerce, Coast and Geodetic Survey, \$4,816.65.

Working fund, Commerce, Coast and Geodetic Survey, 1942-1946, \$8.11.

National Bureau of Standards:

Working fund, Commerce, Standards, 1942-1946, \$12,335.69.

Working fund, Commerce, Standards, 1946, \$84,345.

Working fund, Commerce, Standards, \$365.22.

Station for broadcasting standard frequencies, National Bureau of Standards, \$1,000.

DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs:

Purchase of land for Navajo Indians, Arizona (reimbursable), \$308.02.

Construction, irrigation systems, Indian Service (reimbursable), \$9,865.90.

Construction, buildings and utilities, Indian Service, \$131,407.71.

Support of Wisconsin Band of Potawatomie, Wisconsin and Michigan (reimbursable), \$500.21.

Working fund, Interior, Indians, \$25,538.66.

Working fund, Department of the Interior, subsistence, homestead project, \$2,092.97.

Bureau of Mines:

Reduction of zinc concentrates with methane gas, Bureau of Mines (national defense), \$4,133.

Drainage tunnel, Leadville, Colorado, \$29,081.

Working fund, Interior, Mines (Office of Scientific Research and Development), 1946, \$130,000.

Working fund, Interior, Mines, Army, Engineer Service, 1942-1946, \$43,905.

National Park Service:

Roads and trails, national parks, emergency construction, act of June 19, 1934, \$22.

Working fund, Interior, National Park Service (advance from War Department), \$14,000.

Government in the Territories: Emergency fund, Territories and island possessions (national defense), \$121,000.

DEPARTMENT OF JUSTICE

Federal Prison System:

Buildings and equipment, penal institutions, \$865,000.

United States Industrial Reformatory, Chillicothe, Ohio, construction, \$89.71.

United States Northeastern Penitentiary, Lewisburg, Pennsylvania, construction, \$1,636.78.

Public Works Administration, Act of 1938 (allotment to Justice, prisons), \$1,702.52.

Federal jails, buildings, and equipment (Sandstone), \$370.35.

Working fund, Justice, prisons, \$149,729.70.

DEPARTMENT OF LABOR

Office of the Secretary:

Veterans' housing, Office of Administrator, National Housing Agency (transfer to Labor), \$3,368.

Migration of workers, War Manpower functions, Department of Labor, 1944, \$652,376.

1 Migration of workers, War Manpower functions,
2 Department of Labor, 1945, \$4,884.

3 Bureau of Labor Statistics: Working fund, Labor, Labor
4 Statistics (advance from National Housing Agency),
5 \$237.68.

6 National Wage Stabilization Board: Salaries and ex-
7 penses, National Wage Stabilization Board, Department of
8 Labor, 1947, \$1,191,900.

9 NAVY DEPARTMENT

10 Bureau of Supplies and Accounts:

11 Naval working fund, \$50,000,000.

12 Naval procurement fund, \$50,000,000.

13 Strategic and critical materials, Navy, \$94.

14 Reserve material, Navy, \$62,800.

15 Bureau of Yards and Docks:

16 Public works, Bureau of Yards and Docks, 1947,
17 \$15,108,514: *Provided*, That hereafter no obligations
18 shall be incurred against the contract authorization pro-
19 vided under this head prior to July 1, 1946.

20 Increase and replacement of naval vessels: Repair
21 facilities, Navy, \$4,000,000.

22 TREASURY DEPARTMENT

23 Bureau of Accounts: Emergency relief, liquidation fund,
24 ~~\$1,000,000~~ \$1,280,000.

25 Bureau of Federal Supply: Working capital fund, dupli-

1 cating services, Procurement Division, ~~\$1,483,480.02~~
2 ~~\$1,323,480.02~~.

3 Coast Guard:

4 Acquisition of vessels and shore facilities, Coast
5 Guard, \$9,624,066.

6 Emergency construction, vessels and shore facilities,
7 Coast Guard, \$184,225.

8 Establishing and improving aids to navigation, Coast
9 Guard, \$59,279.

10 Special projects, aids to navigation, Coast Guard,
11 \$36,106.

12 Special projects, vessels, Coast Guard, \$37,470.

13 Special projects, aids to navigation, Lighthouse
14 Service, Coast Guard, \$3,937.

15 WAR DEPARTMENT

16 Military activities:

17 Expenses and losses financing war contracts,
18 \$15,000,000.

19 Acquisition of land, West Point, unexpended bal-
20 ance.

21 Acquisition of land, San Bernardino, Kern, and Los
22 Angeles Counties, California, unexpended balance.

23 Acquisition of land, Panama, Army, unexpended
24 balance.

1 Acquisition of land, Buchanan, Puerto Rico, unex-
2 pended balance.

3 Acquisition of land, act of June 20, 1940, unex-
4 pended balance.

5 Sites for military purposes, unexpended balance.

6 Construction of buildings, utilities, and appurte-
7 nances, military posts, \$17,567,069.

8 Buildings for United States representatives, Philip-
9 pine Islands, unexpended balance.

10 Emergency fund for the President, national defense
11 housing (allotment to War), unexpended balance.

12 Community facilities, defense public works, Office of
13 Administrator, Federal Works Agency (transfer to
14 War), \$221,855.

15 National defense housing, War maintenance, and so
16 forth, unexpended balance.

17 Emergency fund for the President, defense housing,
18 temporary shelter, War, Federal Public Housing Au-
19 thority, maintenance, unexpended balance.

20 National defense housing, War, Office of Adminis-
21 trator, Federal Works Agency, maintenance, and so
22 forth, unexpended balance.

23 Repair of arsenals, emergency construction, unex-
24 pended balance.

25 Seacoast defenses, general, \$130,619.

1 Seacoast defenses, \$106,468.

2 Seacoast defenses, Panama Canal, \$642,905.

3 **TITLE III—GENERAL PROVISIONS**

4 **SEC. 301.** No part of any appropriation contained in
5 this Act shall be used to pay the salary or wages of any
6 person who engages in a strike against the Government of
7 the United States or who is a member of an organization
8 of Government employees that asserts the right to strike
9 against the Government of the United States, or who advo-
10 cates, or is a member of an organization that advocates, the
11 overthrow of the Government of the United States by force
12 or violence: *Provided*, That for the purposes hereof an affi-
13 davit shall be considered prima facie evidence that the person
14 making the affidavit has not contrary to the provisions of
15 this section engaged in a strike against the Government of
16 the United States, is not a member of an organization of
17 Government employees that asserts the right to strike against
18 the Government of the United States, or that such person
19 does not advocate, and is not a member of an organization
20 that advocates, the overthrow of the Government of the
21 United States by force or violence: *Provided further*, That
22 any person who engages in a strike against the Government
23 of the United States or who is a member of an organization
24 of Government employees that asserts the right to strike
25 against the Government of the United States, or who ad-

1 vocates, or who is a member of an organization that advocates,
2 the overthrow of the Government of the United States by
3 force or violence and accepts employment the salary or wages
4 for which are paid from any appropriation contained in this
5 Act shall be guilty of a felony and, upon conviction, shall
6 be fined not more than \$1,000 or imprisoned for not more
7 than one year, or both: *Provided further*, That the above
8 penalty clause shall be in addition to, and not in substitution
9 for, any other provisions of existing law.

10 SEC. 302. This Act may be cited as the "Urgent Defi-
11 ciency Appropriation Act, 1947".

Passed the House of Representatives February 18, 1947.

Attest:

JOHN ANDREWS,

Clerk.

[Report No. 43]

AN ACT

Making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1947, and for other purposes.

FEBRUARY 19, 1947

Read twice and referred to the Committee on
Appropriations

FEBRUARY 28 (legislative day, FEBRUARY 19), 1947

Reported with amendments

CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Legislative Reports and Service Section
(For Department staff only)

Issued March 6, 1947
For actions of March 5, 1947
80th-1st, No. 42

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HIGHLIGHTS: Senate passed urgent deficiency appropriation bill which includes various rescissions for USDA. Sen. Morse introduced and discussed bill to make an additional \$10,000,000 available for access roads to timber. Sen. Langer introduced bill to transfer extension work among Indians and management of Indian forest lands to USDA.

SENATE

1. **APPROPRIATIONS.** Passed as reported H. R. 1968, the urgent deficiency appropriation bill (pp. 1745-63, 1765-8). Rejected, 29-58, the Taylor amendment to strike out the provision for OPA liquidation by June 30 (pp. 1762-3). President Pro Tempore Vandenberg ruled that "the proviso as it appears in the bill does not have legal effect in achieving the result which is expressed in the form of an intent" (p. 1749). During debate on the bill, there were various references to the possibility of sugar controls being administered by this Department and to charges that there is a surplusage of personnel in the executive agencies. Sens. Bridges, Brooks, Gurney, Ball, McKellar, Hayden, and Tydings were appointed conferees (p. 1768).

2. **RECESSED** until Fri., Mar. 7 (p. 1769).

HOUSE

NOT IN SESSION. Next meeting Thurs., Mar. 6.

BILLS INTRODUCED

3. **EXTENSION WORK.** S. 788, by Sen. Langer, N.Dak., to transfer the functions of the Office of Indian Affairs with respect to agricultural extension services and management of forests or Indian reservations to the Department of Agriculture. To Public Lands Committee. (p. 1742.)
4. **PERSONNEL.** S. 784, by Sen. Langer, N.Dak., to provide maternity leave for Government employees. To Civil Service Committee. (p. 1742.)
5. **ROADS; FORESTS.** S. 800, by Sen. Morse, Oreg. (for himself and Sens. Cordon (Oreg.) and Johnson (Colo.)), to make additional funds available for access roads to standing timber. To Public Lands Committee. Remarks of author. (p. 1742.)
6. **EDUCATION.** S. 786, by Sen. Langer, N.Dak., to authorize the appropriation of funds to assist the States in furnishing adequate living quarters for school teachers. To Labor and Public Welfare Committee. (p. 1742.)

7. RECLAMATION. S.J.Res. 82, by Sen. Butler, Nebr. (for himself and others), to provide for the transfer to the Bureau of Reclamation of functions relating to irrigation projects on Indian reservations. To Public Lands Committee. (p. 1742)
8. COMMITTEES. S. Res. 91, by Sen. Langer, N.Dak., to change the name of the Civil Service Committee to the Post Office and Civil Service Committee. To Rules and Administration Committee. (p. 1742.)

ITEMS IN APPENDIX

9. EXPENDITURES. Sen. Moore, Okla., inserted Daily Oklahoman editorials criticizing Government spending and price supports for dairy products (p. A904).
10. LEGISLATIVE BUDGET. Sen. Maybank, S.C., inserted a New York Times editorial criticizing the methods of arriving at the legislative budget figures (pp. A903-4).
Sen. Myers, Pa., inserted a Philadelphia Bulletin editorial criticizing the cuts in the President's budget (p. A907).

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COMMITTEE-HEARINGS ANNOUNCEMENTS for Mar. 6: H. Banking and Currency, sugar controls (Marshall); S. Small Business, newsprint shortage, possibilities of Alaska source of supply (Brannan, Watts, et al); H. Agriculture, wool situation; H. Public Lands (Irrigation and Reclamation subcommittee), pending bills; H. Interstate and Foreign Commerce, National Science Foundation (Secretary Patterson); S. Appropriations, executive meeting; H. Appropriations, deficiency appropriation bill (ex.). For Mar. 7: S. Agriculture, farm-labor program (Overby, Bule, Wilson, Wheeler); S. Judiciary, war-powers continuation (beginning).

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For supplemental information and copies of legislative material referred to, call Ext. 4654, or send to Room 113 Adm. Arrangements may be made to be kept advised, routinely, of developments on any particular bill.

- oCc -

AMENDMENT OF HOUSE RESOLUTION

The resolution already enacted by the House of Representatives on this subject reads as follows:

Any person who has served as President of the United States during all or portions of any two terms shall thereafter be ineligible to hold the office of President. But this article shall not prevent any person who may hold the office of President during the term within which this article is ratified from holding such office for the remainder of such term.

Your Judiciary Committee, in its resolution, struck this language out and suggests to the Senate the following:

A person who has held the office of President, or acted as President, on 365 calendar days or more in each of two terms shall not be eligible to hold the office of President or to act as President for any part of another term; but this article shall not prevent any person who may be holding the office of President or acting as President during the term within which this article becomes operative from holding the office of President or acting as President during the remainder of such term.

Then there is another change in the Senate version. The Judiciary Committee struck out the language:

The legislatures of three-fourths of the several States—

And inserted—

Conventions in the several States as provided in the Constitution.

I, personally, had no particular desire to change the language of the House measure relating to ratification by the legislative branch of the States. But the committee felt that ratification by conventions was closer to the people. That, I believe, is a debatable question. At any rate, that is the provision in the Senate version.

I believe that the Senate should, with promptness and thoroughness, enact this limitation of Presidential tenure. In so doing, I believe that it will be expressing the will of the American people as indicated at the last election and it will be fulfilling the mandate given to the majority party. It will also be fulfilling the express intent of some of the great democratic leaders, as expressed in the past on the floor of the Senate.

I recommend the adoption of the Senate version of the resolution. Whatever differences of opinion may then exist can be ironed out in conference.

BREAKING OF TWO-TERM TRADITION

We will recall that when Mr. Roosevelt broke the long-term tradition by accepting the third-term nomination on July 19, 1940, he announced that he did so, "thinking solely of the national good," and because "it was my clear duty," with the aid of Congress, to preserve our neutrality." He said further, "No call of party alone would prevail upon me to accept reelection."

The debate over his action reflected debate which had raged a century and a half before at the Constitutional Convention in 1787. There were few subjects in the Convention that caused more contro-

versy than the tenure and reeligibility for Presidential office. At one time, we remember that a draft of the Constitution called for a 7-year Presidential term.

THE ISSUE AT STAKE

Now, through this proposed twenty-second amendment to the Constitution, we can seal this long controversy. We can settle one of the fundamental issues which was left unsettled by the founders of the Republic. That issue is whether or not the principle of long-time continuance in office by so-called indispensable leaders—called by some the *fuehrer-prinzip*—is compatible with our Republican form of government. Jefferson, when he refused a third term, sensed the danger when he said:

No pretext should ever be permitted to dispense with it (the law referring to the principles of rotation in the Executive) because there will never be a time when real difficulties will not exist and furnish a plausible pretext for dispensation.

How well Jefferson read the future. In 1940, President Roosevelt's pretext was "clear duty to preserve our neutrality," and in 1944, he justified his fourth-term candidacy as necessary to defeat "those who opposed lend-lease" as unneutral.

We who contend for a two-term limitation recognize that it is necessary for the safety of the Republic. It is true that under the Senate resolution, one might hold office two terms and up to 364 days additional, or if he held office over 365 days he could only hold it for another term.

I repeat that I believe that, if there is any lesson to be learned from the past 20 years, it is that power in the hands of any man or group, if it remains there long enough, has a tendency to become dangerous to the general welfare.

CONCLUSION

Let us now, however, in unmistakable terms, indicate to one and to all that the American people reject the *fuehrer-prinzip*. I respectfully urge the adoption of the resolution.

Mr. OVERTON. Mr. President, will the Senator yield for a question?

Mr. WILEY. I yield.

Mr. OVERTON. First I wish to congratulate the able Senator from Wisconsin on the presentation of the proposed constitutional amendment.

Mr. WILEY. I thank the Senator.

Mr. OVERTON. I believe there is one point which the Senator failed to note. At the time of the adoption of the Constitution the power of the several States was greater than that of the Central Government, but in the course of time the power of the Central Government has become stronger than that of the States. The influence of the Chief Executive has grown with the increasing power of the National Government. It is therefore much more urgent now than it was at the time of the adoption of the Constitution, much more urgent now than at the time Washington declined a third term and Jefferson impliedly, at least, spoke against it, that there should be a limita-

tion on the number of terms a President may serve. Otherwise, as the Senator has pointed out, we are likely to drift into an undemocratic form of government. If a President can succeed himself for an indefinite number of terms, the longer he stays in office the better position he is in to succeed himself.

Mr. WILEY. I thank the distinguished Senator. I think he has nailed down the thought I expressed when I stated that in these later days we have seen the development of the *fuehrerprinzip*, which is an autocratic concept—almost an international disease—which we have witnessed in the past 20 years. I recognize fully the increased necessity for this limitation for the very reason that the distinguished Senator has mentioned, which is that back in the early days of the Republic the States were really autonomous and had powers which since, because of world conditions probably, have been released to the Federal Government.

URGENT DEFICIENCY APPROPRIATIONS

Mr. BRIDGES and other Senators addressed the Chair.

The PRESIDENT pro tempore. Does the Senator yield, and if so, to whom?

Mr. WILEY. I yield to the Senator from New Hampshire.

Mr. BRIDGES. Mr. President, I ask unanimous consent that the unfinished business be laid aside temporarily so that the Senate may take up the urgent deficiency bill which is on the calendar. I assume it will not take a long time.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from New Hampshire that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of House bill 1968, which will be stated by title?

The LEGISLATIVE CLERK. A bill (H. R. 1968) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1947, and for other purposes.

There being no objection, the Senate proceeded to consider the bill (H. R. 1968) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1947, and for other purposes, which had been reported from the Committee on Appropriations with amendments.

Mr. BRIDGES. Mr. President, I ask unanimous consent that the formal reading of the bill be dispensed with, that it be read for amendment, and that the amendments of the committee be first considered.

The PRESIDENT pro tempore. Without objection, it is so ordered.

Mr. LUCAS. Mr. President, will the Senator from New Hampshire yield to me for the purpose of suggesting the absence of a quorum?

Mr. BRIDGES. I yield.

Mr. LUCAS. I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

The Chief Clerk called the roll, and the following Senators answered to their names:

Alken	Hayden	Myers
Baldwin	Rickenlooper	O'Connor
Barkley	Hall	O'Daniel
Brewster	Hoyer	O'Mahoney
Bricker	Holland	Overton
Bridges	Ives	Page
Brooks	Jonner	Reed
Buck	Johnson, Colo.	Revercomb
Bushfield	Johnston, S. C.	Robertson, Va.
Burr	Kamen	Russell
Byrd	Kilgore	Saltinsteel
Cain	Knowland	Sparkman
Capshaw	Langer	Stewart
Capper	McCarthy	Thorne
Chaves	McClellan	Thye
Cooper	McFarland	Tobey
Cordon	McGrath	Umstead
Donnell	McKellar	Vandenberg
Dworshak	McMahon	Wadkins
Eaton	Magnuson	Wherry
Elliander	Malone	White
Ferguson	Martin	Wiley
Flanders	Maybank	Williams
Fullbright	Milklin	Wilson
George	Moore	Young
Green	Murray	
Gurney		
Hatch		
Hawkes		

The PRESIDENT pro tempore. Eighty-eight Senators having answered to their names, a quorum is present.

The clerk will state the first amendment reported by the committee.

The first amendment of the Committee on Appropriations was, under the heading "Title I—General Appropriations Legislative", on page 2, after line 2, to insert:

SENATE

For payment to Margaret S. Andrews, widow of Charles O. Andrews, late a Senator from the State of Florida, \$10,000.

The amendment was agreed to.

The next amendment was, on page 2, after line 6, to insert:

For payment to Edith Pou Bailey, widow of Josiah W. Bailey, late a Senator from the State of North Carolina, \$10,000.

The amendment was agreed to.

The next amendment was, on page 2, after line 9, to insert:

For additional clerical assistance in the Disbursing Office at the rate of \$3,000 per annum from March 1 to June 30, 1946, fiscal year 1947, \$1,000.

Mr. BRIDGES. Mr. President, on page 2, line 12, in the committee amendment, there is a typographical or printing error. Instead of the words and figures "June 30, 1946," it should read "June 30, 1947."

The PRESIDENT pro tempore. Without objection, that amendment to the committee amendment will be made.

The question is on agreeing to the committee amendment as amended.

The amendment as amended was agreed to.

The clerk will state the next amendment.

The next amendment was, on page 2, after line 12, to insert:

The sum of \$50,000 made available out of the contingent fund of the Senate by the Legislative Branch Appropriation Act, 1947, for the purpose of enabling the Senate Committee on Appropriations to employ expert clerical assistance, is hereby made available for the employment of a consultant at not to exceed \$35 per day when actually employed, including all pay increases author-

ized by the Federal Employees Pay Act of 1945, as amended.

The amendment was agreed to.
The next amendment was, on page 2, after line 20, to insert:

For payment to Henry V. Delmott for services rendered the special committee investigating the production, transportation, and marketing of wool during the months of October and December 1939, and January and March 1940, 1 month at the rate of \$3,300 per annum, fiscal year 1940, \$275.

The amendment was agreed to.
The next amendment was, on page 3, after line 2, to insert:

For an amount necessary to increase the salary of one clerk under the Office of the Sergeant at Arms from \$2,500 to \$3,300, effective March 1, 1947, fiscal year 1947, \$267, and the Legislative Branch Appropriation Act for fiscal year 1947 hereby is amended accordingly.

The amendment was agreed to.
The next amendment was, on page 3, after line 7, to insert:

For the employment of six additional telephone operators from March 1 to June 30, 1947, at \$1,800 each per annum, fiscal year 1947, \$3,600.

The amendment was agreed to.
The next amendment was, on page 3, after line 10, to insert:

For an additional amount for rent of warehouse for storage of public documents, fiscal year 1947, \$2,174.43.

The amendment was agreed to.
The next amendment was, under the subhead "House of Representatives," on page 3, after line 19, to insert:

EDUCATION OF SENATE AND HOUSE PAGES

For reimbursement to the District of Columbia for education of congressional pages and pages of the Supreme Court, from January 1, 1947, pursuant to the provisions of section 243 of the act of Congress entitled "An act to provide for increased efficiency in the legislative branch of the Government," approved August 2, 1946, fiscal year 1947, \$10,800, which amount shall be credited to the appropriation for "General supervision and instruction, public schools, District of Columbia, 1947," and the Board of Education of the District of Columbia is hereby authorized to employ such personnel for the education of pages as may be required and to pay compensation for such services from January 2, 1947, in accordance with such rates of compensation as the Board of Education may prescribe: *Provided*, That the facilities provided for the education of such pages shall be available from and after January 2, 1947, also for the education of such other minors who are congressional employees as may be certified by the Secretary of the Senate and the Clerk of the House of Representatives to receive such education.

The amendment was agreed to.
The next amendment was, on page 4, after line 16, to insert:

JOINT COMMITTEE ON ATOMIC ENERGY

For salaries and expenses of the Joint Committee on Atomic Energy created by section 15 of the Atomic Energy Act of 1946, including compensation of consultants at such rates as may be fixed by the committee but not exceeding \$35 gross each per day while actually employed, fiscal year 1947, \$50,000, to be disbursed by the Secretary of the Senate on vouchers approved by the clerk of the Senate and the Secretary of the Senate is authorized to advance to the committee on the receipt of the chairman such sums within the appropriation as may be

necessary from time to time to defray incidental expenses, to be accounted for in the same manner as provided by law for Senate committees.

The amendment was agreed to.
The next amendment was, on page 5, after line 7, to insert:

COMMITTEE ON FEDERAL EXPENDITURES

For an amount which is hereby authorized to enable the Joint Committee on Reduction of Nonessential Federal Expenditures to carry out the duties imposed upon it by section 801 of the Revenue Act of 1941 (55 Stat. 729), to remain available during the existence of the committee, \$7,500, to be disbursed by the Secretary of the Senate.

The amendment was agreed to.
The next amendment was, on page 5, after line 14, to insert:

ARCHITECT OF THE CAPITOL

Senate Office Building: For an additional amount, fiscal year 1947, for maintenance, including the objects specified under the head in the Legislative Branch Appropriation Act, 1947, \$32,000, to be expended by the Architect of the Capitol for structural and mechanical alterations and improvements to provide accommodations in the Senate Office Building for the Senate folding room, including all necessary and incidental expenses in connection therewith.

The amendment was agreed to.
The next amendment was, under the heading "Executive Office of the President—Office for Emergency Management—Office of Defense Transportation," on page 6, line 5, after "Salaries and expenses," to strike out "\$130,000" and insert "\$143,000."

The amendment was agreed to.
The next amendment was, on page 6, after line 5, to insert:

OFFICE OF TEMPORARY CONTROLS

Salaries and expenses: For an additional amount, fiscal year 1947, for carrying out the functions of the Office of Price Administration transferred by Executive Order 9809 of December 12, 1946, to the Office of Temporary Controls, \$7,991,815, which amount shall be merged with the funds transferred, pursuant to said Executive order, from the appropriation "Salaries and expenses," Office of Price Administration, in the Third Deficiency Appropriation Act, 1946. Funds transferred to the Office of Temporary Controls pursuant to Executive Order 9809 in connection with the transfer of functions by said Executive order shall be available for the payment of claims pursuant to part 2 of the Federal Tort Claims Act (Public Law 601, 79th Cong.) arising, respectively, from the activity concerned: *Provided*, That it is the intent of the Congress that all funds heretofore and herein appropriated shall be used to defray all expenses incident to the closing and liquidation of the Office of Price Administration and the Office of Temporary Controls by June 30, 1947.

Mr. TAYLOR. Mr. President, I have sent to the desk an amendment to this provision.

It is my understanding that the committee has increased the Appropriation for the Office of Temporary Controls with the understanding that it be liquidated by June 30. As I understand, from talking to officials of the Office of Temporary Controls, that means that they will actually have to liquidate by April 30, because so much of the money appropriated will have to be expended to pay employees in the process of separating them from the bureau or agency.

Mr. President, the Office of Temporary Controls has a very important function which cannot be wound up at this time. I should like to mention some of the subjects which come under this particular bureau and the duties which they have been charged to perform. In effect, this committee amendment is intended to wind up the affairs of this agency, without the enactment by Congress of legislation designed actually to wind them up.

Let me state some of the duties of the Office of Temporary Controls. On June 30 the last payments will become due under the premium price plan for copper, lead, and zinc. Claims for those payments must be processed after July 1 by the Office of Temporary Controls. Government claims against violators of price regulations and orders must continue to be prosecuted. Such claims total approximately \$75,000,000. In my estimation, Mr. President, it would be poor economy to do away with the machinery for prosecuting OPA violations, when the Government is likely to recover large sums of money because of clear-cut violations. The OPA and the OTC have dismissed the cases which they felt did not involve really severe violations of the regulations. Final audit of various subsidy operations now being carried on must be completed. Cost audits under the industrial alcohol program, under which the OPA priced sales of industrial alcohol to the DSC, must be completed. In the list from which I have been reading is a footnote which says, "Programs 3 and 4 also involve a saving to the Government of many million dollars."

The responsibilities imposed under section 17 of the Contract Settlement Act of 1944, the Tax Amortization Act, and the requisitioning acts must be carried to conclusion. In this connection, the OTC is presently preparing defenses in the case of some 117 claims against the Government, which involve a total sum of \$13,800,000. Yet, Mr. President, we would order it to liquidate its affairs, with the result that it could not follow through on actions involving the recovery of vast sums of money for the Government.

On June 30 there will be thousands of cubic feet of heretofore active files to be disposed of in accordance with law and the policies of the National Archives.

On June 30 there will be permanent-status employees, now in the OTC, who under existing regulations must be carried on the pay rolls until the expiration of their annual leave, for their annual leave cannot be paid in a lump sum. There will be many employees in that category on June 30.

Mr. President, all my amendment does is to reduce the amount of the appropriation for the Office of Temporary Controls from \$7,991,815 to \$5,290,000, which I believe is the amount requested by the Office of Temporary Controls. That item is to be found on page 6, in line 11.

On the same page, in line 21, beginning with the word "Provided," my next amendment would strike out all down to and including the figure "1947," in line 25. The proviso thus stricken out

is the one calling for liquidation of the Office of Temporary Controls by June 30. As I have already pointed out, such a requirement would really mean its liquidation by April 30.

When we come to a later place in the bill, I shall offer another amendment; but all of these are really tied together, because the same thing would be done to the OPA.

So I ask that the first amendment which I have offered be read at this time.

The PRESIDENT pro tempore. The amendment to the committee amendment will be stated.

The LEGISLATIVE CLERK. In the committee amendment on page 6, in line 11, it is proposed to strike out "\$7,991,815," and to insert in lieu thereof "\$5,290,000."

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Idaho to the committee amendment.

Mr. HILL. Mr. President, will the Senator yield to me?

Mr. TAYLOR. I yield.

Mr. HILL. I wish to ask the Senator from Idaho whether his amendment affects the CPA, the Civilian Production Administration.

Mr. TAYLOR. I do not know whether it is under the Office of Temporary Controls. It has to do, has it not, with controls over buildings?

Mr. HILL. Yes; it does.

Mr. TAYLOR. I know that such controls are affected. They will go out the window. The veterans' housing program will no longer be controlled.

Mr. HILL. The Senator from Idaho has mentioned the very thing in which I am interested, and in which I know he likewise is interested. I am extremely concerned, as I am sure all other Members of the Senate are, about veterans' housing, about the present terrific shortage of housing, and about the situation which now confronts our veterans under which they are not able to obtain housing and are unable to provide anything like proper or decent shelter for themselves and their families. Thousands of them find themselves in that situation.

As we know, the Civilian Production Administration has promulgated a regulation known as VHP-1, under which it has controlled the amount of materials which go each month into commercial and industrial construction. What I fear is that if we strike down all regulations and all controls under the CPA, there will be no materials to go into veterans' housing, and all materials will go into commercial and industrial construction. Of course, as we know, there is no rent control on commercial and industrial property, and the commercial and industrial property operators can and will pay more for materials than the veterans can afford to pay.

So I wish to ask the Senator from Idaho whether our action today, if we adopt the committee amendment, will make it even more difficult, if not impossible, for our veterans to get the housing they so desperately need.

Mr. TAYLOR. It will make it absolutely impossible to carry on even our present inadequate housing program.

Mr. HILL. In other words, what we are doing now for housing will fail, if

we pass this bill with the amendment which has been submitted by the committee. Is that the judgment of the Senator from Idaho?

Mr. TAYLOR. On April 30 there will be no machinery left to enforce any building materials priorities allocations. Operators then will be able to start building anything they please. That will mean the end of the veterans' housing program and the end of the construction of medium-cost housing, for at that time the actual situation will be that nothing but mansions will be able to be built, and they are all the houses that will be built until such time as the market for mansions is saturated.

Mr. HILL. In other words, it will mean that the veterans will have to take the hindmost, and actually there will not be any hindmost; is that correct?

Mr. TAYLOR. That is correct.

Mr. HAYDEN. Mr. President—

The PRESIDENT pro tempore. Does the Senator from Idaho yield to the Senator from Arizona?

Mr. TAYLOR. I yield.

Mr. HAYDEN. I wish to make a point of order.

The PRESIDENT pro tempore. Does the Senator from Idaho yield for that purpose?

Mr. TAYLOR. I do.

Mr. HAYDEN. I make the point of order that the proviso beginning in line 21, on page 6, reading as follows: "Provided, That it is the intent of the Congress that all funds heretofore and herein appropriated shall be used to defray all expenses incident to the closing and liquidation of the Office of Price Administration and the Office of Temporary Controls by June 30, 1947," is legislation on an appropriation bill, which is prohibited by rule XVI, section 2, reading as follows:

The Committee on Appropriations shall not report an appropriation bill containing amendments proposing new or general legislation.

The PRESIDENT pro tempore. The Chair suggests that the point of order is not in order until the pending amendment, relating to a previous section of the bill, is disposed of.

Mr. HAYDEN. I thought a point of order was in order at any time.

The PRESIDENT pro tempore. Not in the judgment of the Chair, when the point of order is raised with respect to a portion of the bill which is not pending before the Senate.

The question now is on agreeing to the amendment submitted by the Senator from Idaho to the committee amendment, which has been stated.

Mr. LUCAS. Mr. President, will the Senator yield to me?

Mr. TAYLOR. I yield.

Mr. LUCAS. Let me inquire of the Senator from Arizona if the point of order as the Senator from Arizona has suggested it, is suggested as to this particular portion of the committee amendment, would not that accomplish the same result which the Senator from Idaho seeks to accomplish by his amendment to the committee amendment?

Mr. HAYDEN. Yes. If I may discuss the question for a moment, let me

say that, in the judgment of the majority of the committee, the appropriations contained in the bill as it was reported would be sufficient to pay the terminal leave and to allow the Office of Temporary Controls to operate until the 30th of June; but that simply cannot be done with the amount of money provided if liquidation is required according to the terms of the proviso. That is why I should like to have the proviso stricken out.

The PRESIDENT pro tempore. The Chair suggests that if the Senator from Idaho is willing to withdraw his pending amendment temporarily, and ask for the submission of his other amendment, the matter might be before the Senate.

Mr. TAYLOR. Mr. President, it is agreeable to me that that be done.

The PRESIDENT pro tempore. The question then is on the second amendment submitted by the Senator from Idaho, proposing to strike out the proviso at the bottom of page 6. The Senator from Arizona is recognized on the point of order.

Mr. HAYDEN. Mr. President, it appears clearly to me that this is legislation on an appropriation bill. It states "That it is the intent of the Congress that all funds heretofore and herein appropriated shall be used to defray all expenses incident to the closing and liquidation of the Office of Price Administration and the Office of Temporary Controls by June 30, 1947."

It is either legislation or it is merely the expression of a pious hope. In any event, it has a legislative effect, and if it has a legislative effect, if it is binding upon anybody, it is not in order on the pending bill.

Mr. THOMAS of Oklahoma. Mr. President—

The PRESIDENT pro tempore. The Chair is prepared to rule. The Senator from Oklahoma is recognized.

Mr. THOMAS of Oklahoma. Mr. President, I submitted this proviso in the Committee on Appropriations. History has shown for a long time that governmental bureaus, when once created, never end their tasks voluntarily. I think recent events have convinced many people that the OPA should be terminated as soon as possible. I think it is generally agreed that OPA will not be continued after June 30, 1947.

In order to serve notice on what remains of the OPA that they will be expected to use the funds already available and the funds herein appropriated to close up their affairs by June 30, the provision is inserted. It is not legislation; it is a limitation upon the money they now have and a limitation upon the money appropriated in the pending bill, and it was so intended.

Mr. BRIDGES. Mr. President, I desire to say a word on the point of order. I do not think the provision is subject to a point of order, for the reasons outlined by the distinguished Senator from Oklahoma.

There is already on the statute books legislation terminating OPA as of June 30, 1947. This provision in no way legislates. All it does is establish the conditions for carrying out a law already on the statute books.

Mr. HAYDEN. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. Certainly.

Mr. HAYDEN. Until the 30th of June OPA will be performing its normal functions as to rent control and sugar rationing, with the necessary force, and then, when the 30th of June comes about, under the law all that activity will cease, and we will proceed after that date to liquidate the agency. The intent of the amendment is that the liquidation shall take place now, and that is wherein it changes the existing law.

Mr. BRIDGES. The intent of Congress when it passed the original law, which is legislation, was to end OPA on June 30, 1947. All the proviso does is to prescribe the conditions under which the legislation shall be carried out, and in my view it is not legislation on an appropriation bill.

Mr. PEPPER. Mr. President, will the Senator from New Hampshire yield?

Mr. BRIDGES. I yield to the Senator from Florida.

Mr. PEPPER. So that we may have no ambiguity in our minds about what the facts are and what the intention of the committee is in respect to this matter, first let me ask, if this proviso remains in the committee amendment, what will be its effect upon the present allocation of materials, so that the temporary controls agency will allocate a certain limited quantity of materials weekly to nonresidential construction, and the like?

Mr. BRIDGES. It will force OPA to carry on its activities between now and June 30 with reduced personnel; it will have to reduce drastically. There is no question about that. It will be able to carry on its work with reduced personnel until June 30, the date set by Congress for the ending of OPA.

The PRESIDENT pro tempore. The Chair would like to suggest that the merits of the amendment are not at the moment under discussion. There is a point of order to be settled. Is the Senator speaking on the point of order?

Mr. PEPPER. I will say, Mr. President, that it seems to me, if I may say so, that the point of order made by the Senator from Arizona is well taken.

It has been noted in the press, and has been generally the subject of comment, that Congress is practically going to destroy, by indirection, for example, the rent-control program. I think it is a fairer and a better method of legislating for the Congress to say in so many words what it purposes to do. If we are to destroy rent control, we have a right to do that. It might or might not be good public policy to do it, but we should do it in such a way that those who vote to do it know that that is what they are voting, that those who oppose it will know how they are voting, and that the public will know how we are all voting.

When such an item is contained in provisions like those before us, it is difficult for Senators to understand what the exact effect of their votes will be, and it is hard for the public to understand the effect of our votes. It certainly seems to me that the point of order is well taken, that this is an indirect way of doing

what the Congress, under the rules, is expected to do directly.

The PRESIDENT pro tempore. The question on which the Chair is about to rule, of course, has nothing to do with the merits of the amendment.

Mr. LUCAS. Mr. President, the proviso reads:

That it is the intent of the Congress that all funds heretofore and herein appropriated shall be used to defray all expenses incident to the closing and liquidation of the Office of Price Administration and the Office of Temporary Controls by June 30, 1947.

I ask the Senator from New Hampshire whether that includes the item of accrued annual leave, which amounts to \$7,000,000.

Mr. BRIDGES. Yes. I do not desire to go into the merits.

Mr. LUCAS. My only reason for asking the question is that if it does include the \$7,000,000, it seems to me definitely to be legislation on an appropriation bill.

Mr. BRIDGES. Let me say for the benefit of the Senator from Illinois that I attempted to explain the matter, and if I may take a moment to answer the Senator's question, I shall proceed.

As the bill came to the Senate, the House had eliminated an item of between five and six million dollars, an appropriation which had been asked for, and also made a rescission of \$9,000,000,000. So that if the House figure had been adhered to, OPA would have ceased to exist on February 28, or March the 1st, one of those two dates. However, the House provided no sum for liquidation of OPA nor did it include provision for terminal-leave pay which is a direct obligation on the Federal Government. The two items of \$7,000,000 and \$6,000,000 make approximately \$13,000,000 in round figures. What the Senate did was restore the rescission of nine million and give \$7,991,815 more, which would pay the accrued terminal leave of all employees, amounting roughly to \$7,000,000; it would pay all the liquidating expense, about \$6,000,000 more, and then with the difference between, roughly thirteen million and seventeen million, the OPA could operate during the next 4 months, of course with reduced personnel. So the organization as established by law would be continued to June 30; but it would have to cut down its expenditures drastically in the next 4 months, which would involve a reduction in personnel. So far as I can see, there is no reason why there should not be such a reduction because OPA has been overstaffed and has not retrenched in proportion to the decrease in its duties. To my way of thinking, this is the orderly way of bringing about a desirable result, rather than by following the original request of OPA, or concurring in the action by the House. I think that is a fair explanation.

Mr. PEPPER. Mr. President, will the Senator yield for a question?

Mr. BRIDGES. Certainly.

Mr. PEPPER. It is pertinent, Mr. President, in determining whether the point of order is well taken to know what is the intention of the Appropriations Committee in proposing the proviso. If its effect is simply to indicate to the Senate that only a limited amount of

money will be appropriated, and we know that the amount appropriated will not be sufficient to enable the agency to discharge a legal obligation imposed upon it by statute, namely, to perform certain functions, so that the proviso has no effect in law, then it might not be subject to a point of order; but if it has the effect in law of impairing the validity of the statute under which the OPA is now administered, either as to date of termination or as to impairment of function, it would seem to me that the point of order would be well taken, because that would be legislation, and that is why I think the intention of the committee is very pertinent to the consideration of the subject.

The PRESIDENT pro tempore. The Chair is prepared to rule, and the Chair prefers to rule before there is further debate on the merits of the matter, because the Chair does not wish his decision to be confused with any conclusion as to the merits of the question.

Mr. O'MAHONEY. Mr. President, will the Chair permit me to make a remark or two about the point of order, not about the merits?

The PRESIDENT pro tempore. Certainly.

Mr. O'MAHONEY. I should like to invite the attention of the Chair to the language of the proviso, in line 22. I am calling attention particularly to the use of the word "heretofore." The language reads:

Provided, That it is the intent of the Congress that all funds heretofore and herein appropriated shall be used to defray all expenses incident to the closing and liquidation of the Office—

And so forth. The word "heretofore," as I see it, is purely legislative language, because if this proviso will have any effect at all it will have the effect of placing a restriction upon the very appropriation that has heretofore been made, wherever it has been made, however it has been made, and whatever the intention of Congress was in making it. It is clear to me, therefore, that this language is subject to the point of order.

Mr. THOMAS of Oklahoma. Mr. President, just one additional word. The last Congress made an appropriation to carry on the OPA activities until June 30, 1947. The OPA is not able to carry on its work, apparently, with the appropriations made last year. The OPA, or its successor, is asking for funds with which to operate until June 30, 1947.

The proviso was intended to serve notice on what remains of the OPA structure, and its successor, that only the funds already appropriated and the funds appropriated in the pending bill shall be available for the closing of their office, and that after June 30, 1947, there will be no funds from any source available to that agency. If that is not a notice to them to close up by June 30, then I do not know what a notice could be; and that was the intent of the proviso.

The PRESIDENT pro tempore. The Chair states again that his ruling has no bearing whatever upon the merits of the argument. The sole question is whether the proviso in lines 21-25, on page 6, is

general legislation on an appropriation bill.

The Chair very respectfully disagrees with both the Senator from New Hampshire and the Senator from Arizona; the former, in respect to his interpretation of the effect of the proviso; the latter, therefore, in respect to its eligibility. In the Chair's opinion, this is not legislation at all; it is what the Senator from Arizona described as a "pious wish." In the Chair's opinion it is purely an expression of intent, which is not binding or of legal effect in any aspect. It is a completely novel method of trying to limit appropriations without using the usual limitations form.

Since it is, therefore, nothing, in the Chair's view, except an expression of intent, the Chair overrules the point of order.

Mr. HAYDEN. Mr. President, then I am to understand, so far as the ruling of the Chair is concerned, that no official of the Government is required, under this language, to pay any attention to it?

The PRESIDENT pro tempore. The Chair will have to let the Senator from Arizona put his own interpretation upon the ruling of the Chair. I think it is very obvious what the interpretation is.

Mr. HAYDEN. If the language is without legal effect, it is not law, it is merely, as I have stated, the expression of a pious wish. If I were an administrator I would say, "I intend to carry out the intent of the Congress, which I shall do." But to do that, the OPA would have to be closed up on the 30th of April. It is utterly impossible to carry out this direction and do the things that are necessary to be done. That is my judgment, based upon as careful a study as I can make with respect to the proposal.

The PRESIDENT pro tempore. The Chair can make his viewpoint perhaps even clearer by indicating what in his judgment would be the usual and traditional form in which a proviso of this character could be inserted. If it were to have teeth, it would read as follows:

Provided, That no part of the funds herein appropriated shall be used after June 30, 1947, to defray any expenses incident to the closing and liquidation of the Office of Price Administration and the Office of Temporary Controls.

That would be the usual form; it would be in order; it would be effective.

Mr. HAYDEN. There is no question about that.

The PRESIDENT pro tempore. The Chair repeats, the proviso as it appears in the bill does not have legal effect in achieving the result which is expressed in the form of an intent.

Mr. O'MAHONEY. Mr. President, I listened carefully to what the Chair has just said in restating the language of this proviso in what he termed to be the parliamentary and proper form.

The PRESIDENT pro tempore. Provided there is a desire to reach the objective which is expressed.

Mr. O'MAHONEY. Precisely; and I was very much interested to note that in so stating the correct form of the language, the Chair omitted the word "heretofore."

The PRESIDENT pro tempore. The Senator from Wyoming is totally correct. The word "heretofore," if this were a proviso that had any legal effect, would certainly make the proviso out of order.

Mr. O'MAHONEY. So, therefore, Mr. President, if I may say so, we are in the position, that although the Chair ruled that the use of the word "heretofore" in a limitation of the kind that he has stated renders it subject to the point of order, the use of that word in this expression of intent does not subject it to the point of order.

The PRESIDENT pro tempore. The Senator from Wyoming is entirely correct. The Chair's ruling hangs completely upon the first five words, that this is an expression of intent—an entirely unique situation.

Mr. O'MAHONEY. From what the Chair has said, officials of the executive branch who are in charge of the administration of appropriations heretofore made are now on notice by the language used by the Presiding Officer of the Senate, that the language of the proviso does not affect such appropriations so made.

The PRESIDENT pro tempore. The Chair again says to the Senator from Wyoming and to the Senator from Arizona, that each may put his own interpretation on the ruling of the Chair; which it seems to the Chair is completely lucid and obvious.

Mr. LUCAS. Mr. President, will the Senator yield to me?

Mr. HAYDEN. I yield.

Mr. LUCAS. In a clear-cut opinion the Chair has decided the point of order. I agree with the distinguished occupant of the chair that the language of the proviso does not mean a single thing other than to express a pious hope or wish and it seems to me that the Senate should not undertake to legislate in such a manner. I submit, however, with all due deference to the Committee on Appropriations that the officials of the OPA should not be placed in such a position as they would be placed if the proviso were adopted. I hope the able Senator from New Hampshire, as chairman of the Appropriations Committee, will withdraw the proviso from the bill in view of the careful and conscientious ruling of the Chair.

Mr. HAYDEN. Mr. President, if I may interrupt, I should like to make the same suggestion for the reason that what the committee intended to do is clearly set forth in the report of the committee. The committee states in its report:

The committee expects OPA by a drastic reduction in its personnel and the practice of other economies to continue its programs until June 30, and make provision for the payment of terminal leave and other liquidation activities within the sum of \$7,991,815 proposed.

That really tells what the committee had in mind. The amendment was adopted as an afterthought. Its meaning is not clear; its meaning can be strained in any way which may be desired. That is not true of the report of the committee, which would be equally binding upon the officials of the OPA, for the rule is that if either a House or Senate committee report indicates how

money is to be spent, Congress expects it to be spent in that way. I cannot see much sound sense in permitting to remain in the bill a provision which was adopted hastily, without due consideration, and which seems to involve two conflicting ideas or proposals. What the committee has suggested in its report and what the proviso suggests cannot all be done within the same space of time.

Mr. BRIDGES. Mr. President, the issue is very clear. The Congress of the United States by legislation has said that OPA should be terminated on June 30, 1947. The OPA originally submitted a request to the House committee for a certain sum of money to enable it to continue until June 30, and at the end of June 30 OPA would still have owed its employees their terminal leave. So it is probable that by that time the amount needed for terminal leave would be in excess of \$8,000,000, and OPA would still have need for liquidating expenses in the amount of between five million and six million dollars, representing by that time a total of thirteen million or fourteen million dollars. The House in its wisdom provided for a rescission of \$9,000,000 of the funds of OPA, and stopped further appropriations summarily, thus cutting off OPA on March 1 or February 28.

Mr. President, the weakness of the position of the House committee in its desire to discontinue the activities of OPA lies in the fact that the terminal leave of the thirteen or fourteen thousand workers in OPA is an obligation of the Federal Government which Congress cannot escape paying. It is necessary also to provide for cancellation of leases and other matters. If OPA were to continue after June 30 it would have to have roughly thirteen or fourteen million dollars for that purpose, or if the Senate were to do what the House did, it would be necessary to provide the money now for that purpose. The Senate Appropriations Committee did neither. After hearing about these things, the committee said "We are going to live up to the intent of Congress to terminate OPA by June 30. We are not going to stop its operations now. Therefore we restore the rescission of \$9,000,000 and we give OPA \$7,991,815." This will enable OPA to do three things:

First. OPA may pay its employees terminal leave, which is a solemn obligation of the Federal Government.

Second. OPA may pay all its liquidating expenses.

Third. OPA may continue on a very much reduced scale, with a greatly decreased number of personnel.

We have heard much said in recent days to the effect that all Members of Congress are for economy. The Senate Appropriations Committee believes that OPA can carry on the very limited duties it has to perform, with a reduced force. Therefore we provide money for OPA to do so.

Mr. HAYDEN. Mr. President, if I am correctly advised, it is costing now about \$5,000,000 a month for the pay roll.

Mr. BRIDGES. That is correct.

Mr. HAYDEN. And the proposal which has been reported by the com-

mittee is that OPA shall have less than a million dollars a month.

Mr. BRIDGES. I would say not less than a million dollars, but a little more than a million dollars a month.

Mr. HAYDEN. Yes; but that would mean that OPA would have to make an 80-percent reduction in their personnel.

Mr. BRIDGES. With one change. The Senator knows that the \$5,000,000 or \$6,000,000 to be used for liquidation purposes includes personnel expense.

Mr. HAYDEN. What I have in mind is that in the enforcement of rent control and the continuance of sugar rationing OPA would be required to operate in those fields with a reduction of 80 percent in their force because of the limited amount of money they would have with which to operate.

Mr. BRIDGES. That is roughly correct.

Mr. HAYDEN. I have grave doubt whether OPA can administer rent control and sugar rationing with an 80-percent reduction in personnel.

Mr. BRIDGES. That is an open question; it is a matter of opinion; but it is the judgment of the majority of the committee that the few remaining functions of OPA could be carried on with a considerably reduced personnel. I think OPA can perform its remaining functions with a considerably reduced personnel. I do not think a considerable cut in its personnel would hurt. Congress must determine whether rent control shall be continued, and if so, what agency shall have rent control in charge. Congress must determine whether sugar rationing shall continue until June 30, and if so, whether the Department of Agriculture shall have charge of sugar rationing or what agency of Government shall administer it. In the meantime, the committee proposal provides for first, the fulfillment of the obligations of government; second, liquidation of OPA; and, third, the continuation of the orderly processes of OPA, but with a very drastically reduced personnel force. That is what I am for; that is what the majority of the committee favored.

Mr. HAYDEN. Mr. President, the way the chairman of the committee states the proposition he is in total disagreement with the officials of the Office of Temporary Controls in this respect, namely, according to their statement, that if they are to enforce rent control, if they are to enforce sugar rationing, they must have an adequate force with which to do the work, and the minute they cease to have an adequate force, then they must stop. That was the proposal by OPA, that if Congress wanted to cut it off, very well, do so, but advance the date. If I myself were operating the agency I would want to carry it on satisfactorily, and not in a haphazard way. Take rent control, for example. Sufficient money is not provided in the appropriation to pay terminal leave and to pay the cost of liquidation. Under such circumstances, obviously, OPA cannot administer the rent control throughout the United States. If I were the administrator it would be my obligation to say "Very well, we will discontinue rent control in Pittsburgh. We will carry it on in

Kansas City." That is all that could be done. It could not be administered successfully all over the United States with the amount of money that is contained in the bill. If I were administrator I would not try to do so.

Mr. O'MAHONEY. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. The Senator from New Hampshire has the floor. Does the Senator from New Hampshire yield to the Senator from Wyoming?

Mr. BRIDGES. I yield to the Senator from Wyoming.

Mr. O'MAHONEY. I desire to suggest to the Senator from New Hampshire that the statement he made just a moment ago is a complete demonstration of the great danger which is involved in this amendment. If I understood him correctly, the Senator from New Hampshire stated that the purpose of this amendment is to make sure that OPA is cut off by June 30. Another amendment will cut off CPA on the 30th of June, regardless of what happens.

Mr. BRIDGES. That is what the law on the statute books requires.

Mr. O'MAHONEY. That is correct.

Mr. BRIDGES. All we are doing, for the first time, or one of the few times in history, is proceeding to carry out the provisions of the law and finally end a governmental agency.

Mr. O'MAHONEY. The Senator refers to the fact that rent control, sugar control, and veterans' housing are involved in the action which we take here today. I speak as one who in the last Congress, as chairman of a subcommittee of the Committee on the Judiciary, brought before the Senate a bill extending the War Powers Act in certain respects. That bill, as approved by the Judiciary Committee, cut off the power of the President under the War Powers Act with respect to more than half of the titles contained in the original act, but allowed certain war powers to remain because of the conviction that it was necessary to have those powers in order properly to carry on reconversion. There was no disposition on the part of the Judiciary Committee or on the part of the Congress, when the extension bill was passed, to do anything but cut the war powers as rapidly as they could be safely cut and still preserve the public interest.

As a result of the language in this bill, before Congress has acted and determined what it wishes to do with respect to rent control; before Congress has had an opportunity to decide what it wants to do with respect to the rationing of sugar; before Congress has had an opportunity to decide in a legislative manner what should be done with respect to veterans' housing, the Appropriations Committee is coming into the picture with a provision which would cause those activities to be terminated almost immediately.

Mr. BRIDGES. Mr. President, the Senator has given a wholly ambiguous picture. The law now provides that the OPA shall end on June 30. All we are doing is complying with the law. If the

Senator has any quarrel, it is with the previous Congress.

Mr. O'MAHONEY. Mr. President, will the Senator further yield?

Mr. BRIDGES. I yield.

Mr. O'MAHONEY. The trouble is, not that we are saying that the OPA shall terminate on the 30th of June 1947, which has already been said by the Congress; but that we are putting into the appropriation bill, by the provision under discussion, language which will result, not in termination on June 30th, but in termination almost immediately. Thereby we shall be interfering with the express intent of Congress that rent control, sugar control, and veterans' housing shall be carried on until the Congress, by legislative action, shall undertake to do otherwise.

If the Senator will bear with me just a moment, I know how earnest he is in his desire to cut off OPA. No one knows better than I—because I have protested against it many times—how some of the agents of OPA, by improper public relations, have caused the demand for its immediate elimination. I have complained about that publicly and privately. But what I am saying to the Senate is this: If sugar rationing comes to an end as the result of this action by the Appropriations Committee, the public will suffer. Those who are engaged in the raising of sugar beets in this country will suffer. Those who are engaged in the raising of sugarcane in continental United States will suffer. The consumers of sugar will suffer, and more particularly the householders, because they will be deprived of the protection—

Mr. BRIDGES. Mr. President, I decline to yield further. The Senator is wholly in error.

Mr. THOMAS of Oklahoma. Mr. President, will the Senator yield for one or two questions?

Mr. O'MAHONEY. Mr. President, I shall take the opportunity to discuss the question in my own time.

Mr. BRIDGES. I yield to the Senator from Oklahoma.

Mr. THOMAS of Oklahoma. Is it not a fact that if rent control is extended it will require additional legislation, and additional funds will have to be made available after June 30, 1947?

Mr. BRIDGES. That is true.

Mr. THOMAS of Oklahoma. If rent control is to be continued, will it not require legislation and appropriations to carry on the program after June 30, 1947?

Mr. BRIDGES. That is true.

Mr. THOMAS of Oklahoma. One further question. Is it not a fact that if this amendment is agreed to it will in all probability save the Treasury money?

Mr. BRIDGES. It will.

Mr. THOMAS of Oklahoma. If we do not express our intent, this organization will be intact on June 30, to the extent of tens of thousands of employees who will have to be taken care of. That will cost the Treasury money. If this is a money-saving amendment, I ask this question: Will not the amount of money saved help to balance the budget?

Mr. BRIDGES. It will.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. HAYDEN. Can the Senator guarantee to the Senate that rent control will be continued and enforced as it now is, and as effectively as it is now enforced, without change throughout the United States, with the amount of money in this bill?

Mr. BRIDGES. The only difference is that it will be done at less cost to the Government.

Mr. HAYDEN. Is the Senator satisfied that we can reduce personnel in connection with rent control throughout the United States and do the job just as effectively with less money? Can it be done with an 80-percent cut?

Mr. BRIDGES. My answer is "Yes." I am for rent control. I always have been. Today I am for rent control. But there is no excuse in the world for the number of employees in the various agencies of the Government. The Senator well remembers the discussion on this subject. The figures which we use are the agency's own figures for continuation of its work in full force until April 30.

Mr. HAYDEN. That is correct. The agency can carry on in full force up to April 30. If I were an administrator conscientiously attempting to enforce an act of Congress, I would want to execute the law in the proper way; and if I could not do it I would quit.

Mr. BRIDGES. Representatives of the agency stated that it could carry on in full force with the present personnel. I say that they can start reducing their force now, and with a greatly reduced force perform the duties which are now entrusted to them, and that the job can be done as effectively at lower cost, and with drastically reduced personnel.

Mr. HAYDEN. Let me illustrate how I think this provision would work. Let us assume that there is an office in Boston which is very effectively administering rent control with a certain number of employees. Congress directs that liquidation shall take place. A liquidating official of the OPA walks into the Boston office and says to the rent-control administrator in Boston, "I am sorry, but we are canceling the lease on the building which you now occupy. I must have your desk. I am going to sell it as surplus; and, as required under the law, your records must go to the Archives."

The man administering rent control in Boston might very properly say, "How am I to carry on?" The liquidating officer might say to him, "I do not know how you are going to do it, but you will have no office, no desk, and no papers. You will be out of business, because we are required to liquidate, and we cannot do it on the last day of June. We must start now, and I am starting in Boston."

So rent control in Boston would be at an end the minute we liquidated that office. That is what would happen all over the United States. The problem cannot be handled in that way. We cannot have rent control under the terms of the proviso which we are now debating, and it ought to go out of the bill for that reason.

Mr. BRIDGES. A start could be made by eliminating this office and that office, and gradually the number of offices would be reduced and the number of personnel would be reduced without affecting duties or jobs. The difficulty is apparent. The Senator from Arizona and others Senators on the other side of the aisle—notably the Senator from Wyoming [Mr. O'MAHONEY]—present their case very ably. But the Senator from Wyoming made the statement a little while ago that what is proposed will ruin the sugar-beet farmers and other producers throughout the country. That is not an accurate statement. I do not think the Senator wants to convey that impression. This will not ruin anyone. Business will be conducted with a reduced personnel. One can go into any OPA office in the country and find officials falling over each other. It is not the number of individuals in an office which determines the efficiency of the office. A wrong idea on that score is projected into the minds of many people as the result of the years which we have been through. It is the wrong gage.

Mr. HAYDEN. The Senator's proposal calls for an 80-percent reduction in the number of personnel. I am unable to understand how an agency can operate as efficiently with 20 percent of its force, and give the public as good service.

Mr. BARKLEY. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. BARKLEY. During the discussion of the budget and the consideration of other matters since the Congress met the statement has been made that one can go into any Government building anywhere in the United States and find employees falling over one another; and the Senator from New Hampshire reiterates that statement today.

Mr. BRIDGES. That is correct.

Mr. BARKLEY. I should like to ask the Senator if he can point to any Government office in Washington or elsewhere in which he has seen any employee falling over another employee, or any number of employees, in the offices to which he has general reference; and, if so, whether he can tell us who it was that fell over whom, why he fell over him, and what happened to both of them when one fell over the other. It seems to me that we should have some concrete evidence of this falling-over process if we are compelled to listen to it all the time.

Mr. BRIDGES. I am delighted that the Senator from Kentucky desires to lighten the debate by injecting a little humor into it.

Mr. BARKLEY. No; I beg the Senator's pardon.

Mr. BRIDGES. I used the expression "falling over each other" as a figure of speech. I am sure that if they did not watch themselves very carefully it actually would have occurred.

Mr. BARKLEY. Where would it have occurred?

Mr. BRIDGES. In practically every Government office in Washington.

Mr. BARKLEY. That is a general statement. Can the Senator name one office in which it might have occurred?

Mr. BRIDGES. The OPA, for one.

Mr. BARKLEY. In what division was it?

Mr. BRIDGES. I shall not specify.

Mr. BARKLEY. The Senator refuses to get down to offering proof of what he has been talking about.

Mr. HICKENLOOPER. Mr. President, will the Senator yield to me for a moment?

Mr. BRIDGES. I yield.

Mr. HICKENLOOPER. It so happens that about 4 days ago a Democratic appointee on one of the prominent commissions in the Government and who has held office for about 2 months as a member of the commission, made the statement—and I hope the Senator from Kentucky will pardon me if I do not mention the man's name—

Mr. BARKLEY. That is just the trouble. We hear general statements to the effect that somebody told somebody else who heard it through a third person, that somebody fell over somebody in some department.

Mr. HICKENLOOPER. I am trying to contribute to the kaleidoscopic domino-row knocking-down discussion by furnishing information.

Mr. BARKLEY. The Senator always contributes information in any discussion in which he participates, but I am somewhat curious to get down to names, places, and cases, because I am as much opposed to anybody falling over anybody else as is the Senator from Iowa or the Senator from New Hampshire. I want to protect the victims of the falling-over process, if it is going on. I should like to have the name of one person in one office, anywhere, who was hurt or who fell over somebody else by reason of this supernumerosity of officers and employees.

Mr. HICKENLOOPER. Mr. President, will the Senator yield so that I may stumble along in the falling-over process?

Mr. BARKLEY. I hope the Senator will not fall over me.

Mr. HICKENLOOPER. I am sure that anyone who has ever collided with the distinguished Senator from Kentucky has done so to his own detriment and injury. But I will say that a few days ago the man to whom I have referred who came to Washington a few months ago made the statement that he had accepted his commission of appointment, that he had been going religiously to his office, and that; so far as he was able to determine, in the 2 months he had been employed there no member of the commission had anything to do. His private secretary had nothing to do. The employees, sitting around in large numbers, had nothing to do.

I give that incident as an illustration. I shall not reveal the man's name.

Mr. BARKLEY. Will the Senator tell us what agency or commission it is?

Mr. HICKENLOOPER. I do not wish to identify the commission.

Mr. BARKLEY. It seems to me that if there is a member of any commission who is so disturbed by the fact that he has nothing to do and that nobody in his commission has anything to do, instead of going around privately and whispering it into the ear of the Senator

from Iowa or some other Senator, he ought to be frank enough to come before the proper Senate committee and ask that his job be abolished. I am not willing to protect anybody against knowledge of his identity if he is refusing to divulge to a committee—the Appropriations Committee or any other committee—the information which he seems to have divulged to the Senator from Iowa.

Mr. HICKENLOOPER. I will say that this particular man did not suggest appearing before any committee of the Senate, although it was suggested to him that it would be very helpful if he should do so; but he did say that he was seriously considering resigning.

Mr. BARKLEY. He has not yet resigned, has he?

Mr. HICKENLOOPER. Not that I know of.

Mr. BARKLEY. Does any part of this appropriation affect the commission of which he is a member?

Mr. HICKENLOOPER. I do not think I had better identify the commission.

Mr. BARKLEY. If there is such an item in this bill, will the Senator offer an amendment on the floor to ediminate it?

Mr. BRIDGES. I shall take care of that. My amendment will eliminate the danger of anyone falling over anyone else in the OPA. All the Senator has to do is to support the committee amendment.

Mr. BARKLEY. That is not exactly the situation. I want to look into the committee amendment. I do not know any more now than I did when I started.

Mr. DWORSHAK. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. DWORSHAK. I might suggest for the information of the majority leader—

Mr. O'MAHONEY. Mr. President, a point of order.

The PRESIDENT pro tempore. The Senator will state it.

Mr. O'MAHONEY. For the past three quarters of an hour the Senator from New Hampshire [Mr. BRIDGES] has been standing in his place farming out the time of the Senate in the discussion of the question which is pending. No Senator is permitted to talk except by leave of the Senator from New Hampshire; and if any Senator says something to which the Senator from New Hampshire objects, he pulls the string and says that he does not desire to yield further. I suggest, Mr. President, that if the Senator from New Hampshire does not have some remarks of his own to make, he should yield the floor and let those of us who desire to speak upon this subject to do so in our own time. I think the rule is being violated.

The PRESIDENT pro tempore. Under the rules of the Senate the Senator can yield only for a question. The rule ordinarily is given very wide latitude as a matter of courtesy. The Senator from Wyoming was the chief beneficiary of this courtesy. If it is desired by the Senate that there shall be no courtesy, the Chair will be delighted to proceed accordingly.

Does the Senator from New Hampshire yield to the Senator from Idaho?

Mr. BRIDGES. I yield.

Mr. DWORSHAK. I was about to observe that if the minority leader will read the monthly report issued by the United States Civil Service Commission showing how many Federal employees there are on the civilian pay roll of the Government he will see that there are now at least twice as many civilian employees as there were immediately prior to Pearl Harbor. If there is justifiable reason to employ all of that personnel now one must reach the conclusion that it takes two persons to do one job. In view of the fact that hostilities have ceased and at least in part the wartime emergency has terminated, I think it is reasonable for the legislative branch of the Government to demand that the appropriations which are made to pay the salaries of employees in the executive departments and agencies shall be used economically and judiciously, and I think the time has come when we should demand that each employee render a full day's service for each full day's pay.

Mr. BARKLEY. Mr. President, will the Senator yield to me?

Mr. BRIDGES. I yield.

Mr. BARKLEY. I do not wish to violate the rule which has recently been announced, so as to bring down upon my head an obiter dictum, ex cathedra ruling of the Chair; but I should like to ask the Senator from Idaho a question, namely, whether by his reference to the Civil Service Commission he intimates that I can obtain from that Commission the information I am seeking as to what office or agency is overstaffed or in what building or what agency employees are falling over one another.

Mr. DWORSHAK. Yes.

Mr. BARKLEY. We all know that there are more Government employees now than there were before the war. We do not have to read the reports of the Civil Service Commission in order to know that. But I ask whether the Civil Service Commission's reports, issued each month, indicate the number of employees which that Commission thinks should be eliminated.

Mr. DWORSHAK. The monthly reports of the Civil Service Commission indicate that in practically every bureau and agency of the Government there are approximately twice as many Government employees now as there were prior to Pearl Harbor. Obviously, if there is the same amount of work to be done, twice as many employees should not be required to do it.

Mr. BARKLEY. Of course, Mr. President, there is much more work to be done now than there was before Pearl Harbor. We shall have a much larger budget, regardless of the particular amount which is finally arrived at by the Congress. Does the Senator from Idaho mean to intimate by his inquiry that the activities of a Government which has a budget of approximately \$35,000,000,000 can be carried on with the same number of employees that the Government had prior to Pearl Harbor, when the total Government budget was much smaller?

Mr. DWORSHAK. I think substantial reductions in the number of employees can be effected by most departments and agencies of the Government. If the Sen-

ator will read the reports filed by the so-called Byrd committee, he will find in them an indication that there can be an immediate curtailment of the Federal pay rolls.

Mr. BARKLEY. I think I have been as diligent as my time and circumstances permit in reading all the reports; but I thank the Senator from Idaho for calling them to my attention.

Mr. DWORSHAK. I am glad to render that service.

Mr. MYERS. Mr. President, will the Senator yield to me?

Mr. BRIDGES. I yield.

Mr. MYERS. I do not wish to violate the recent ruling of the Chair; but in view of the Chair's prior ruling on the point of order made by the Senator from Arizona, it occurs to me that it might be well to observe that the Seventy-eighth Congress was known as the War Congress, and the Seventy-ninth Congress was known as the Victory Congress, and probably the Eightieth Congress will be known as the Congress of Pious Wishes and New Year's Resolutions.

Mr. BRIDGES. Mr. President, inasmuch as there has been considerable discussion, let me say that I have tried to have the debate proceed in an orderly manner.

Before I yield the floor I wish to say that the issue is very simple. In the last session, the Congress of the United States set a termination date for the OPA. All the Appropriations Committee did was within the legislative action of the previous Congress in terminating the OPA. We thought the OPA was overstuffed, we thought the OPA could drastically reduce its personnel, we thought it could pay terminal leave to its employees, gradually liquidate its activities and conduct its operations with a very greatly reduced personnel.

The Senator from Kentucky has spoken about the reference to employees falling over one another. Of course, I used that expression in a figurative manner of speaking. For example, naturally I have not been sitting under a desk in the OPA, to see who falls over whom; but I know that I have seen so many people standing around doing nothing in the OPA agencies, specifically—here in the city of Washington, for example—that if they were to close their eyes they could easily fall over each other and cause a major catastrophe. So I think the point is not so far-fetched.

We are attempting to end the OPA on June 30, which is what the last Congress intended, and what it legislated should be done. The committee has recommended that the OPA be provided with sufficient money to be able to continue its functions on a very reduced scale. The OPA is now operating on a reduced scale, and there is no reason why it should not. Under the committee's recommendations, the OPA can continue rent control and sugar rationing, with a very reduced personnel, without injuring anyone in the country.

So on that statement I rest the case.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Idaho to the

committee amendment, striking out the proviso at the bottom of page 6.

Mr. O'MAHONEY. Mr. President—
The PRESIDENT pro tempore. The Senator from Wyoming.

Mr. O'MAHONEY. Let me begin by saying that these are very sad days for the Members of the Senate on this side of the aisle. We are compelled to debate not only with Members who are speaking from the floor, but with the Chair as well. The Chair, in administering a little reproof to me a few moments ago as the beneficiary of the courtesy of the very courteous Senator from New Hampshire [Mr. BRIDGES], was overlooking the fact that when I rose the Senator from Arizona was speaking. He had been speaking at length. I assumed that the Chair was administering the rules of the Senate, and that the Senator from Arizona had the floor. In any event, when I rose, I say to the Chair, I directed my request to the Senator from Arizona, to ask whether he would yield so that I might make a remark. Thereupon, the Presiding Officer turned his back upon the Senator who was making the request and turned his beaming countenance upon the Senator from New Hampshire, and asked the Senator from New Hampshire, "Does the Senator yield?"

My own impression was that the Senator from New Hampshire was kept upon his feet only by the remarks which were being made by Senators upon this side of the aisle; and that impression has just been demonstrated as being a correct one, because as soon as the rule was enforced the Senator from New Hampshire ran out of conversation and took his seat.

Mr. President, let me now inquire whether the Chair desires to enter into the debate.

The PRESIDENT pro tempore. The Chair has been very courteous to the Senator from Wyoming and to all other Senators on his side of the aisle, and will hope to continue to do so.

Mr. O'MAHONEY. I am sure the Senator will.

Mr. President, the question now before us is a much more serious one than would be indicated by the persiflage which has been indulged in about unnamed persons falling over one another in various agencies and departments of the Government. It is very easy to say that the number of civilian employees of the Government is greater than is necessary. It is very easy to seek to carry to the public the impression that more money is being spent than should be spent, by comparing the number of persons now employed by the Federal Government with the number employed in 1939 or in some other year prior to the war.

Every Senator and every person who makes that comparison is closing his eyes to the fact that as a result of the war we have had increased Federal expenditures. We have had increased expenditures not only in the executive arm of the Government, but in the legislative arm, and this very appropriation bill now before the Senate for consideration carries with it an appropriation of \$50,000 for the Joint Committee on Atomic En-

ergy, \$50,000 to enable that committee of the Congress to function between now and the 30th of June. That is an expenditure which never before was carried in any legislative bill. It is an amendment which calls for the employment of personnel.

I happened to drop in at the hearing of the subcommittee on the deficiency bill, the bill now before us, when the chairman of the Joint Committee on Atomic Energy was testifying. He laid before the committee a budget for some \$250,000 for a year, a budget which provided for the employment of some 81 different employees, an increase in the personnel. The committee compromised by providing only a deficiency appropriation, and not an appropriation for the full year.

The point I make is not the size of the appropriation, not at all. The point I make is that in Congress as well as in the executive departments the laws which we pass require the employment of larger staffs.

Take the Veterans' Administration alone as an example. I had occasion just a few days ago to look at a chart printed in the United States News. It was a comparison of the number of veterans who had been awarded pensions for service-connected disabilities in World War I and in World War II within 18 months after the termination of hostilities. The figures show that 18 months after the termination of hostilities in World War I there were 25,000 veterans who had been awarded compensation for service-connected disabilities. But within 18 months after World War II 1,700,000 veterans with service-connected disabilities had been awarded their pensions, 1,700,000, and that is but the beginning of what is going to take place.

The Veterans' Administration has expanded. There are more employees now upon the rolls of the Veterans' Administration than were on the rolls of that administration prior to World War II, and considerably more than in 1939 or 1938. It is an unavoidable increase. It would be possible to go down the line and examine one bureau after another, and point out how the new demand for personnel is arising.

The Atomic Energy Commission was created by law last year. It did not exist in 1945, it did not exist in 1944. It was created last year because of the discovery of an efficient method of splitting the atom. Republicans and Democrats agree we must have the Commission, but that requires more employees.

What I suggest to our friends on the other side of the aisle is that they are talking in emotional terms about a condition which has ceased to exist. They complain about the funds which were expended to fight the depression, and the number of employees who were put upon the Federal pay roll to fight the depression. But, Mr. President, when the appropriation bills making those provisions were before the Senate and the House, there was no complaint of that kind, and when we examine the figures for those years we find that the number of em-

ployees and the number of dollars spent do not begin to compare with what had to be done as the result of the war.

Mr. President, we are dealing with the aftermath of the greatest war that was ever fought, and it remains true that here we have a bill which, if enacted in the language in which it was reported by the Committee on Appropriations, may very well put an end, in a month, to veterans' housing activities, to sugar rationing, and to rent control.

Mr. HILL. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. HILL. That is exactly what General Fleming says so far as housing is concerned. He says the program for veterans' housing will be ended by March 31, that that will be the end.

Mr. O'MAHONEY. The Senator is quite right. I was about to read a letter from General Fleming.

Mr. President, we are dealing with cold facts. I say to the Senate, and particularly to those Members of the Senate who come from areas which are interested in the growing of sugar beets, that if we bring about a condition in this country which will result in a termination of sugar rationing, the demand for Cuban sugar will become so great that it will be difficult to revive the domestic beet sugar industry, after the chaos which will be produced has had its effect upon the people.

There are many Members of the Senate on both sides who have contrary views upon rent control. There are Republicans who believe that rent control should be continued, and Republicans who think it should be discontinued. There are Democrats who think it should be continued, and Democrats who think it should not be continued. It is a wholly nonpartisan issue. Yet, Mr. President, if by adopting the language of the appropriation bill we make it impossible for the agency which administers rent control to function, then we forestall the action of the legislative committees now studying that problem.

Mr. President, we are playing with fire because Senators are in such a great hurry to penalize and punish the OPA. I say to the Senate that the OPA has been progressively demobilized. I have no desire to prolong the life of OPA. Nevertheless, I am sure that no Member of Congress can read the current newspapers without knowing that prices are once more rising. Prices of food are up again. Prices of housing are up again. Prices are going up all along the line. That question will be dealt with by the appropriate committees, but here we have three items—rent control, veterans' housing, and sugar rationing—which are directly affected by this appropriation bill.

Let me read from the letter of General Fleming, addressed to the chairman of the Senate Committee on Appropriations.

Mr. HILL. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. HILL. Would it disturb the Senator if I should call attention to an article which appeared just 1 week ago in the

Washington Post, on the front page? The Senator referred to prices going up. The Senator may have seen the article. It was captioned, "Hog'n hominy prices set United States record; Senate unit votes 10-percent rent rise, OPA end."

Then it proceeds to tell the story:

Pork-chop price seen at \$1 a pound.

Is the Senator familiar with the article?

Mr. O'MAHONEY. I saw the article. I should be very glad to have the Senator read it.

Mr. HILL. Will the Senator yield to me to read the article?

Mr. O'MAHONEY. If I may do so without losing the floor.

Mr. HILL. The article is under a Chicago date line, February 25, and reads as follows:

Hog, corn, and wheat prices soared to new records today as the cost of living spiraled upward toward a predicted all-time high.

Hog prices shot up in a buying splurge on most midwestern livestock markets, hitting \$30 per hundredweight in Chicago a new top; prices of most wheat futures hit their highest levels in 30 years; corn futures reached their highest levels in 27 years. Cotton prices also were up.

In a picture of things to come, livestock men predicted housewives would be paying \$1 a pound for pork chops in 2 weeks. Government sources, basing predictions on the rising livestock, grain, and cotton prices, said costs generally would hit a new high within 4 months.

Slaughter steers and heifers were up as much as 50 cents a 100 pounds as beef prices crept up slightly, but experts said plentiful beef supplies would protect housewives for a time against soaring prices for steaks and roasts.

The price advances, comparing with the old OPA ceiling of \$16.25, were attributed to small receipts at the major markets.

At Washington, Labor and Agricultural Department sources agreed that the worst was yet to come, especially in food prices.

A Labor Department source predicted that the cost of living would climb to a new record peak by the end of June. The Department reported that on January 15 retail food prices were 30 percent higher than on the corresponding date a year ago.

If the Senator will yield a moment further, he will recall, no doubt, that last year when we were—

Mr. WHERRY. Mr. President, I rise to a point of order.

The PRESIDENT pro tempore. The Senator will state it.

Mr. WHERRY. I should like to state to the distinguished Senator from Wyoming, inasmuch as he made a forceful speech about violations of the rules, that birds always come home to roost. Here we have the situation reversed. I am not going to object, but I point out to the distinguished Senator that the very practice about which he complained a few moments ago is now being indulged in by a member of the minority side.

Mr. HILL. Mr. President, if the Senator from Nebraska makes the point of order, I shall resume my seat.

Mr. WHERRY. I want the Senator to put the material in the record, because, after all, it was the President of the United States who took off price controls. So, go ahead and put it in.

The PRESIDENT pro tempore. The Senator from Wyoming has the floor.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I shall yield to the Senator for a question.

Mr. McFARLAND. That is the purpose of my asking the Senator to yield. Will the Senator kindly explain what would be the effect of the language on page 6 which a Senator seeks to have stricken out?

Mr. O'MAHONEY. I shall be very glad to do so.

Mr. HATCH. Mr. President, will the Senator yield to me for a question?

Mr. O'MAHONEY. I yield for a question.

Mr. HATCH. Perhaps I should address the question to the Senator from Nebraska. Did I understand correctly the Senator from Nebraska to be complaining of the action in removing controls?

Mr. O'MAHONEY. Oh, no; the Senator from Nebraska was not complaining; the Senator from Nebraska was trying to have a little fun with the Senator from Wyoming. He did it sub rosa, while the Senator from Alabama was speaking, and it was quite all right.

Several Senators addressed the Chair. The PRESIDENT pro tempore. Does the Senator from Wyoming yield; and if so, to whom?

Mr. O'MAHONEY. I yield first to the Senator from Alabama for a question.

Mr. HILL. Mr. President, as we know, the Senator from Wyoming is a man of great ability, and, among his many other accomplishments, he is an accomplished mathematician. Could he tell us how many times the Senator from Nebraska rose on this floor demanding the abolition of price controls, particularly the abolition of price controls on beef, and cattle, and food products?

Perhaps that is an unfair question, for I am afraid, great as is the ability of the Senator from Wyoming, he would have to have an adding machine in order to be able to answer that question.

Mr. HATCH. Mr. President, will the Senator yield for a question?

Mr. O'MAHONEY. I yield to the distinguished Senator from New Mexico for a question.

Mr. HATCH. In all seriousness, I desired to propound a question because I felt there was a direct implication or charge in the statement the Senator from Nebraska just made, in which he placed responsibility on the President of the United States. I should like to inquire if the Senator means to say that the President of the United States removed price controls over the opposition of the Senator from Nebraska?

Mr. BARKLEY. Mr. President, will the Senator yield at this point for a question?

The PRESIDENT pro tempore. Does the Senator yield; and if so, to whom?

Mr. O'MAHONEY. I yield to the distinguished Senator from Kentucky.

Mr. BARKLEY. Regardless of who may have been responsible for the removal of price controls, can the Senator advise us as a mathematician, using all the figures at his disposal, when the Senator from Nebraska will make his final report on the meat situation?

Mr. O'MAHONEY. Mr. President, the exchanges which have been taking place here for the last few minutes are indicative of a situation which I should like to avoid. These exchanges have all been, I believe, in good spirit, designed to be more or less humorous, and they are I think, to some extent, prompted by partisan division. Mr. President, I want to say that partisan division upon questions of the kind we are considering is the last thing in which we should engage at this moment. If our friends upon the other side of the aisle propose to approach the legislative problems that are before this Congress as though we were still engaged in the campaign which ended upon election day, November 5, 1946, then I say to those Senators, in all sincerity and in all good faith, they will be digging a trench into which they themselves will fall. This is not a time for puny partisan divisions. This is a time for dealing with the fundamental issues of our economy and the fundamental problems of what the Government of the United States should do for the people.

My purpose in rising here this afternoon has been to call to the attention of the Senate the language of General Fleming, head of the Office of Temporary Controls, who is appealing to us, not as a partisan, but as an executive officer, upon whose shoulders has been placed the responsibility of administering the temporary controls which under the law of Congress must be carried on until Congress changes them. That is what we are dealing with.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. McFARLAND. Will the Senator kindly answer the question I asked?

Mr. O'MAHONEY. I am just about to answer it. If the Senator will bear with me, I am laying the foundation.

Mr. WILEY. I think it is a trench.

Mr. O'MAHONEY. No; the Senators on the other side are doing very well with the trench. I am trying to fill it in at this moment.

At the very outset—

Said General Fleming—

I should like to make clear that the principal concern of the administration is that the substantive programs—rent control, sugar rationing, housing controls—be continued effectively. The administration is less concerned what particular agency or agencies of Government be entrusted with the task of administration. In fact, I have already begun to dissolve OPA, CPA, and OWMR, the constituent agencies of OTC; and to reconstitute them into a single integrated agency.

Let me interrupt the reading of General Fleming's letter to point out that under Executive order issued by the President, the demobilization of these various agencies was undertaken—General Fleming was made the head of the Office of Temporary Controls—all for the purpose of cutting down control, for the purpose of demobilizing personnel, for the purpose of restoring the utmost amount of liberty of action in all branches of our economy, and to concentrate in one group the Office of Temporary Controls, the ad-

ministration of those controls like veterans' housing, sugar rationing, and the others which, under the legislation of Congress, still had to be carried on.

In my opinion, the use of the OTC as reconstituted would be the most economical and efficient way to handle these controls, as long as Congress decides they are necessary. Nevertheless, any decision of the Congress as to the agency or agencies of the Government which should administer the various programs now within the province of OTC will be implemented promptly.

I wish to make it very clear that the liquidation of OPA, CPA, or OTC is not the question that concerns me. What does deeply concern me is that the Congress appropriate sufficient funds to enable the substantive programs to be continued effectively until the Congress itself decides what it wants to do with them and who shall administer them.

That is the paragraph to which I wish to call the attention of the Senate.

Responding now to the inquiry of the Senator from Arizona [Mr. McFARLAND] I shall say to him that the last proviso contained in lines 21 to 25 will have the effect of terminating these controls, not on the 30th of June 1947, but by the end of March or April. In other words the effect, as we are advised, and as I firmly believe, will be to hasten the dissolution before Congress has had an opportunity to decide what it wants to do with rent control, with sugar rationing, and with veterans' housing.

Mr. McFARLAND. Mr. President, will the Senator yield?

Mr. O'MAHONEY. I yield.

Mr. McFARLAND. May I ask the Senator another question? Would that include such items as the premiums on copper, lead, and zinc which were included in the OPA Act which was passed last year?

Mr. O'MAHONEY. I am inclined to believe that these premiums would be directly affected because the inevitable result of the adoption of the pending amendment will be such a reduction of personnel that OPA and CPA and the Office of Temporary Controls will be unable to function. It depends, of course, on whether these agencies administer the premiums.

Mr. McFARLAND. I should like to ask another question. Is it the opinion of the Senator from Wyoming that the language just referred to limits the expenditures to those of liquidation, or reduces the expenditures to such an extent that they would not be sufficient for the other necessary purposes?

Mr. O'MAHONEY. Let me read to the Senator another paragraph or two of this letter which I think will completely answer his inquiry:

The item in H. R. 1968 applicable to the Office of Price Administration functions is intended to cover three major activities: Rent control, sugar control, and liquidation activities. The committee report clearly indicates its recognition of the legal obligation that rests upon the Government in meeting the accrued annual leave of employees. This item, which amounts to more than \$7,000,000, cannot be reduced.

That is an item which was ordered by the Congress in legislation passed by the Congress. The Appropriations Committee cannot change that policy. These

accruals remain the obligation of the Government of the United States. But as General Fleming, I think, clearly demonstrates in his letter, if this bill is passed as it comes from the committee, it will result in the repudiation of that obligation. General Fleming continues:

If I read the report correctly, the committee also recognizes the obvious necessity of using funds to carry out liquidation activities. This is a relatively inflexible sum amounting to about \$5,750,000. The saving that the committee apparently contemplated in expenditures for OPA functions must lie, therefore, in reduction of expenditures for the two major operating programs; that is, rent control and sugar rationing.

I will say to the Senator now, in response to his recent inquiry, that this is a clear statement by General Fleming that the result of the adoption of the amendment will be to provide the funds to carry the terminal pay, but to deny the funds with respect to sugar rationing and rent control. General Fleming continues:

If the liquidation and leave expenses are deducted from current unobligated balances plus the \$8,000,000 deficiency appropriation item in the bill, the net amount of total available funds for the operating programs will be only \$5,000,000 on March 31. However, the amount currently being expended on these same programs is \$5,000,000 per month. Thus, the bill would permit operations at the present level only to April 30. To require the programs to be continued until June 30 with these funds, as the committee proposed, would call for reductions in staff so drastic as to cripple the programs.

This, I will say to the Senator from Arizona, has to do with the Office of Price Administration. There is another item in the bill which deals with the Civilian Production Administration, which, I assume, is the agency which handles the particular program in which the Senator is interested, namely, the premium on the production of copper. That item is covered in the remainder of this letter, which I do not propose to read to the Senate at the moment.

Therefore, Mr. President, I shall close my remarks at this point with a request for unanimous consent that the entire text of the letter from General Fleming to the chairman of the Appropriations Committee of the Senate may be printed in the RECORD at this point.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

OFFICE OF TEMPORARY CONTROLS.

HON. STYLES BRIDGES,
Chairman, Committee on Appropriations,
United States Senate.

DEAR SENATOR BRIDGES: I am pleased to take advantage of your invitation to convey to you my comments and suggestions regarding the Senate Appropriations Committee's action on HR-1968, concerning administrative expenses for functions transferred to the Office of Temporary Controls under Executive Order No. 9809.

I have read the report of your committee with care and I am most appreciative of the concern with which the committee examined the problems of the Office of Temporary Controls with regard to the functions transferred to it by Executive Order No. 9809. Nevertheless, I find that the language of the appropriation bill, as amended by the committee, and the report itself will lead to re-

sults that are contrary to the expressed desire of the committee and will make it extremely difficult to insure consistent and coherent legislative and administrative action on certain programs of major consequence. Rectification of this situation by amendment of the bill as reported out by the committee appears to me essential.

At the very outset, I should like to make clear that the principal concern of the administration is that the substantive programs—rent control, sugar rationing, housing controls—be continued effectively. The administration is less concerned what particular agency or agencies of Government be entrusted with the task of administration. In fact, I have already begun to dissolve OPA, CPA and OWMR, the constituent agencies of OTC; and to reconstitute them into a single integrated agency. In my opinion, the use of OTC as reconstituted, would be the most economical and efficient way to handle these controls as long as Congress decides they are necessary. Nevertheless, any decision of the Congress as to the agency or agencies of the Government which should administer the various programs now within the province of OTC will be implemented promptly. I wish to make it very clear that the liquidation of OPA, CPA, or OTC is not the question that concerns me. What does deeply concern me is that the Congress appropriate sufficient funds to enable the substantive programs to be continued effectively until the Congress itself decides what it wants to do with them and who shall administer them.

THE OPA APPROPRIATION ITEM

The item in H. R. 1968 applicable to the Office of Price Administration functions is intended to cover three major activities: rent control; sugar controls; and liquidation activities. The committee report clearly indicates its recognition of the legal obligation that rests upon the Government in meeting the accrued annual leave of employees. This item, which amounts to more than \$7,000,000, cannot be reduced.

If I read the report correctly, the committee also recognizes the obvious necessity of using funds to carry out liquidation activities. This is a relatively inflexible sum amounting to about \$5,750,000. The saving that the committee apparently contemplated in expenditures for OPA functions must lie, therefore, in reduction of expenditures for the two major operating programs, i. e., rent control and sugar rationing.

If the liquidation and leave expenses are deducted from current unobligated balances plus the \$8,000,000 deficiency appropriation item in the bill, the net amount of total available funds for the operating programs will be only \$5,000,000 on March 31. However, the amount currently being expended on these same programs is \$5,000,000 per month. Thus, the bill would permit operations at the present level only to April 30. To require the programs to be continued until June 30 with these funds, as the committee proposed, would call for reductions in staff so drastic as to cripple the programs.

Let me point out that the funds made available for OPA functions under H. R. 1968 are inadequate only because so large a proportion must be used for accrued leave and other mandatory liquidation expenses. It is the mandatory liquidation proviso that causes the difficulty. In fact, without it, the deficiency appropriation for these functions could be reduced from the present figure of approximately \$8,000,000 to approximately \$5,300,000.

An appropriation of this amount without the mandatory liquidation proviso would give the Congress sufficient time to determine congressional policy with regard to the continuation of these programs without running the risk of crippling them in the meantime. If the Congress decides to assign these functions to agencies other than the OTC, the

funds can, of course, be transferred to such agencies at that time.

THE CPA APPROPRIATION ITEM

The report of the committee contains no discussion of the Civilian Production Administration functions. It leaves unchanged the rescission amount of \$2,400,000, included in the bill as it passed the House, and merely alters the language of the discontinuance proviso so that it now reads "and its affairs shall be entirely liquidated not later than June 30, 1947."

The most important activity of CPA, the activity requiring the bulk of the personnel, is the assistance rendered the Veterans' Emergency Housing program. In the hearings before the committee it was pointed out that the OTC carries out the following functions in connection with the housing program:

1. Administering the construction limitation order which prevents the use of critical building materials in nonhousing projects that are not essential and can be deferred.

2. Increasing the production of critical building materials through channeling raw materials and equipment to the producers of these scarce items.

3. Obtaining compliance with the regulations required to carry out the housing program.

4. Auditing production records of manufacturers who have been receiving premium payments for increased production under the premium payment plan of the Housing Expediter.

It is obvious that the Veterans' Emergency Housing program cannot continue without these supporting activities.

These functions that CPA has been carrying on require a large staff for the balance of this fiscal year but a very much smaller staff thereafter. The CPA does not receive any reimbursement from the Housing Expediter for performing these functions. Consequently, the reduction in funds from the \$1,200,000 rescission, which the President proposed to the Congress, to \$2,400,000 voted by the House of Representatives and carried in this report, coupled with the mandatory liquidation requirement, would necessitate a cessation of this activity in support of the housing program completely on March 31 by CPA.

It must be observed that this sudden termination of OTC activities in this field with its disastrous effect on the housing program will occur in the face of continuing concurrent authority for the housing program that carries until June 30 under the Second War Powers Act and until December 31 under the Patman Act. Indeed, the report of the House Committee on Appropriations indicated that these OTC activities were to continue under present appropriations until June 30. This expressed intent cannot in fact be carried out. The funds that will remain available for CPA functions of OTC, if the bill is passed in its present form, will be so restricted that it will be necessary to send dismissal notices immediately to all CPA employees engaged in the administration of nonhousing limitation order and the other related housing activities. Accordingly, it is urgent that the mandatory liquidation proviso be removed from the bill and the rescission amount be reduced from \$2,400,000 to \$1,200,000.

In closing I wish to point out that regardless of the assignment of the functions for the operating program, the liquidation of many functions now vested in OTC, due to statutory requirements, cannot be completed legally, or in fact, by June 30, 1947. A few varying examples of the kinds of activities that must be carried on after June 30 are listed in appendix A. All of these functions which must continue after June 30 are presently vested in the OTC. The OTC must continue to carry them out until the Congress decides either to eliminate them or to transfer them to some other Government

agency or agencies. Together these programs will save the Government many times the amount of additional funds required to continue them.

I append, for such use as you deem desirable, suggested amendments to H. R. 1968 (appendix B) that would avoid the undesirable, and, I believe, undesired results that will inevitably occur if the bill becomes law in its present form.

Sincerely yours,
 PHILIP B. FLEMING,
 Major General, United States Army,
 Administrator.

APPENDIX A

ACTIVITIES NOW VESTED IN OTC THAT MUST BE CONTINUED AFTER JUNE 30, 1947

1. On June 30 the last payments will become due under the premium price plan for copper, lead, and zinc. Claims for those payments must be processed after July 1.

2. Government claims against violators of price regulations and orders must continue to be prosecuted. These claims total \$75,000,000.

3. Final audit of various subsidy operations now being carried on must be completed.

4. Cost audits under the industrial alcohol program under which OPA priced sales of industrial alcohol to the DSC must be completed.

Programs 3 and 4 also involve a saving to the Government of many millions of dollars.

5. The responsibilities imposed under section 17 of the Contract Settlement Act of 1944, the Tax Amortization Act, and the Requisitioning Acts must be carried to conclusion. The OTC in this connection is presently preparing defenses on some 117 claims against the Government which total \$13,800,000.

6. On June 30 there will be thousands of cubic feet of theretofore active files to be disposed of in accordance with law and the policies of the National Archives.

7. On June 30 there will be permanent status employees—now in OTC—who, under existing regulations, must be carried on the pay roll until the expiration of their annual leave and whose leave cannot be paid in a lump sum. There will be many employees in this category on June 30.

APPENDIX B

SUGGESTED AMENDMENTS TO H. R. 1968 AS REPORTED OUT BY SENATE APPROPRIATIONS COMMITTEE

1. Page 6, lines 11, 21–25: Substitute "\$5,290,000" for "\$7,991,815." Strike the following proviso: "Provided, That it is the intent of the Congress that all funds heretofore and herein appropriated shall be used to defray all expenses incident to the closing and liquidation of the Office of Price Administration and the Office of Temporary Controls by June 30, 1947."

2. Page 9, lines 7–10: Substitute "\$1,200,000" for "\$2,400,000" and strike the following proviso: "Provided, That the Civilian Production Administration shall be discontinued and its affairs shall be entirely liquidated not later than June 30, 1947."

Mr. WILEY. Mr. President, in connection with the subject now under discussion, I ask to have printed in the Record an editorial appearing in today's issue of the Washington Evening Star entitled "Significant Warning." The editorial comments on the position taken by the National Federation of Federal Employees on the issue of reduction in Federal personnel. The editorial says in substance that it is unusual for a union of Federal employees to comment on the reduction of Federal personnel.

There being no objection, the editorial was ordered to be printed in the RECORD, as follows:

SIGNIFICANT WARNING

The position taken by the National Federation of Federal Employees on the issue of a reduction in Federal personnel is so unusual as to be worthy of special attention.

The NFFE is the oldest, wealthiest, and probably the largest union of Federal workers. Ordinarily one would expect a union of that status to be in the ranks of those resisting the efforts of the new Congress to bring about a contraction of the Federal Government's working force. Far from joining this opposition movement, however, the NFFE, in the March issue of its official publication, sharply rebukes those officials of the executive department who are resisting the drive to reduce pay rolls and eliminate employees of "dubious loyalty."

At first glance this might seem to be strange procedure for a union presumably interested in keeping as many of its members as possible on the public pay roll. Actually, however, it is a move that is indicative of a degree of intelligence all too often lacking in union tactics.

For the fact of the matter is that the Republican Congress is going to insist on a substantial reduction in force in the executive branch. If there are administrators who believe, as the NFFE charges, that their agencies cannot be curtailed "in the slightest degree," and who hope to be able to "outsmart" the congressional Appropriations Committees, they have a rude awakening in store. For the cut-backs are coming.

The only real question is whether this will be done as painlessly as possible, with the intelligent cooperation of executive officials, or whether, in the words of the NFFE statement, an exasperated Congress will resort to "meat ax" tactics. If the latter proves to be the case, then the best interests of all Federal workers will suffer most.

Mr. AIKEN. Mr. President, I desire to speak briefly in regard to the subject now before the Senate.

It appears that the time has come when the Congress must decide which of the wartime controls it wishes to continue, and how it wishes to continue those which should be continued. I wish to present a few facts and observations concerning the OPA.

It appears that the OPA now has three functions, namely, rent control for residences only, sugar control, and rice control. To exercise these three functions the agency had at the beginning of this year a total of 15,574 employees. That number may be somewhat reduced by this time, but that was the number on December 31, 1946. Of this number 6,654 were engaged in rent control. The agency had 8 regional offices and 329 area rent offices, besides 315 branch rent offices.

So far as the controls over rice and sugar are concerned, it is my understanding that the OPA already depends upon the Department of Agriculture for its estimate of the supply, and usually follows the suggestions of the Department of Agriculture as to rationing rice and sugar. It is perfectly clear that if the OPA were abolished by one method or another rice and sugar rationing and controls could readily be transferred to the Department of Agriculture. That leaves us with consideration of rent control, which is the largest single activity in the OPA, and utilizes almost half of its personnel.

Mr. O'MAHONEY. Mr. President, will the Senator yield for a question?

Mr. AIKEN. I yield.

Mr. O'MAHONEY. In making the statement that sugar control could be transferred to the Department of Agriculture, has the Senator taken into consideration the fact that in this amendment, the elimination of which is requested, we find the word "heretofore," which refers to any appropriation that may heretofore have been made? The Chair has ruled that that language has no legal binding effect; but if it is retained in the bill it will certainly have a moral effect. Does not the Senator believe that if we desire to maintain sugar rationing we should not tamper with a dangerous amendment of this character?

Mr. AIKEN. I shall come to that point a little later. As I understand the ruling of the Chair, it was—perhaps not in so many words—to the effect that this amendment would have no force of law in requiring the OPA to use all its funds for liquidating purposes. As I stated, the OPA has a total of 652 offices devoted to rent control. The biggest problem involved is the quick hearing of complaints and appeals by landlords and tenants at hundreds of widely scattered points.

It would appear—and I say this after receiving information which I consider to be authentic and accurate—that the rent-control activities could well be transferred to the Department of Commerce, and that funds for this purpose could also be transferred to the Department of Commerce. If that were done, it is my understanding that the Department of Commerce could carry on the functions of rent control with approximately 3,000 more employees than it now has. In other words, we would have to transfer about 3,000 employees from the present rolls of the OPA to the Department of Commerce, if that permanent agency of government were to take over rent-control activities. The Department of Commerce already has 77 regularly established offices, with 852 employees. Those 77 offices could be used as a nucleus for what is needed for rent-control activities.

Mr. LUCAS. Mr. President will the Senator yield for a question?

Mr. AIKEN. I yield.

Mr. LUCAS. Is the Senator now telling the Senate that there is legislation pending whereby the rent-control agency will be transferred to the Department of Commerce?

Mr. AIKEN. Unfortunately, there is not. I shall reach that point in a few minutes, and then I shall be through.

Mr. LUCAS. It seems to me that until such legislation is pending we cannot anticipate that that will be done, so far as what we are attempting to do through this appropriation bill is concerned.

Mr. AIKEN. I was simply stating what would be necessary in the way of personnel if the activities were transferred to the Department of Commerce. The best information which I have—and this information is received through the staff of the Committee on Expenditures in the Executive Departments, which has been making a study of the functions and activities of a good many departments of government—is to the effect that

3,000 employees transferred to the Department of Commerce, with the organization which the Department of Commerce already maintains, could exercise as much control over residential rents as does the existing organization of the OPA.

What I wish to say is that if we are to transfer to permanent agencies of Government the functions of the OPA in regard to sugar and rice rationing and rent control, it should be done by the Congress in an orderly manner. We should not do it by going in the back door and making it impossible for the OPA to perform the functions which it is required by law to perform. For that reason I should have voted to strike out the proviso in the bill that the funds appropriated shall be used for liquidating the OPA. Very obviously that would make it impossible for the OPA to perform its duties as required by law. So it seems to me that we should continue OPA for the time being. I hope that it will use this appropriation in performing its duties as it is supposed to perform them, so long as the money lasts.

I have heard the date April 30 mentioned. It seems to me that by April 30 the Congress could make arrangements for transferring the functions of rent control, sugar control, and rice control to permanent agencies of the Government if it is determined that such controls are to be continued. If that were done, there would be a saving by reason of a reduction in the number of Government employees from 15,574, which were employed by OPA on January 1, to probably a third of that number. Probably a third of that number could carry on the duties which now rest on the OPA, if the activities were incorporated with existing agencies of Government. We must do that sometime. It may be that this spring is the time when such duties should be transferred.

We have also obtained data in regard to the CPA and the Office of Temporary Controls. I think there are approximately 6,000 employees in those two agencies. I do not agree with those who say that the three agencies should be combined into one and continued. It seems to me that it would be best to transfer to regular departments of the Government such functions as the Congress determines should be continued. In the case of the OPA, that would mean the Department of Agriculture and the Department of Commerce. I believe that a real saving in personnel and funds could be made by so doing. Although I shall vote for the appropriation as set forth in the deficiency appropriation bill, I shall not do it with the expectation, or even the hope, that the OPA will use the money for the purpose of liquidating, but will use it for the purpose of performing its duties as required by law so long as the money lasts.

Mr. HAYDEN. I take it from the Senator's last remark that he agrees with me that this proviso should be stricken from the bill. I can understand perfectly that if we were to adopt the amendment omitting the proviso, it would be possible, with the arrangement we have set up, to carry on until a legislative committee of the Senate could determine what to do.

But if that proviso were to be retained, directing that OPA must liquidate and do nothing else, it would be liquidated before it would be possible for the Congress to enact legislation saying what shall be done with rent control and what is to be done otherwise.

Mr. AIKEN. The proviso does not have the effect of law.

Mr. HAYDEN. If the Senator were an administrative officer, and the act stated that it was the intent of the Congress that certain things should be done, would he not do them? Would he ignore the law?

Mr. AIKEN. I assure the Senator from Arizona that if I am required to vote for this proviso in order that the bill may pass, it is not my intention that the money shall be used for liquidating purposes, but for the purpose of performing the duties of the OPA so long as the money lasts.

Mr. HAYDEN. It is utterly impossible to do so.

Mr. AIKEN. In the meantime I think we should provide for transferring to other agencies of the Government such functions as are continued.

Mr. LANGER. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. LANGER. Will the Senator tell me how many employees the OPA had when it was in full bloom?

Mr. AIKEN. My recollection is that the number was 45,000 or 50,000.

Mr. LANGER. And there are 15,000 now?

Mr. AIKEN. There were 15,574 on the 31st of December 1946.

Mr. LANGER. How many do they have now?

Mr. AIKEN. I do not know. I think there has been a slight reduction.

Mr. SALTONSTALL. Mr. President, will the Senator yield to me so that I may give the figures?

Mr. AIKEN. I yield.

Mr. SALTONSTALL. In December 1945 OPA had 37,464 employees; in July 1946 they had 33,330; in November 1946 they had 32,368; on December 15, 1946, 15,574, and in January 1947, 14,006.

Mr. AIKEN. There has been a slight reduction. Of the 15,000 or more, approximately 6,600 were engaged in rent control. From the studies which the Committee on Expenditures in the Executive Departments has made through its staff, the conclusion has been reached that if 3,000 of those employees were transferred to the Department of Commerce, using the facilities of that Department they could perform the same functions as the 6,600 are now performing.

Mr. LANGER. That would get rid of 3,000?

Mr. AIKEN. That is correct. We would also get rid of the over-all organization.

I want to give the OPA credit for doing much good work during the war in spite of the numberless aggravating mistakes they made; but I think the time has come—it had to come sometime—when temporary Government agencies must be dispensed with and the remaining func-

tions transferred to regular establishments of the Government.

Mr. LANGER. When does the Senator think that time should arrive?

Mr. AIKEN. I think it is here, so far as the OPA is concerned.

Mr. LANGER. What is the objection to the proviso which the Senator from Arizona [Mr. HAYDEN] just mentioned?

Mr. AIKEN. I do not like it. I do not believe in eliminating the effectiveness of OPA by inserting a proviso which makes it impossible to function properly during the time it has left.

Mr. LANGER. How would it prevent them from functioning properly?

Mr. AIKEN. If they had to use the money appropriated for liquidation purposes, or paying terminal leave, or whatever it is called in the OPA, they would not be able to use the same amount of money in the performance of other duties. I agree with the Senator from New Hampshire [Mr. BRIDGES] that they could do their work for less money than they are doing it for now, but I think that some other agency of Government, particularly the Department of Commerce, could do it for probably a fourth as much as the work is now costing.

Mr. BRIDGES. Mr. President, if I may answer the distinguished Senator from North Dakota—

The PRESIDENT pro tempore. Does the Senator from Vermont yield?

Mr. AIKEN. I yield for that purpose.

Mr. BRIDGES. The bill as reported by the committee proposes to give OPA approximately \$7,000,000 to pay all terminal leave obligations and approximately \$6,000,000 for liquidation expenses, or a total of approximately \$13,000,000. The bill also provides more than \$4,000,000 for administrative expense. A part of the cost of liquidation may be involved in that sum. The total sum makes possible a continuation of operations until June 30, but on a very reduced scale as to personnel. In the meantime, we are in the process of liquidating the agency and paying the obligations involved.

The Senator from Kentucky [Mr. BARKLEY] objected to my using the figure of speech about employees "falling over each other." They will have plenty of room to move about in the various offices with the force we are giving them, but in my judgment there will still be a sufficient number of employees to perform the duties required by law, which, as the Senator from Vermont has said, will involve simply rent control on residences, sugar rationing, and rice rationing, until Congress can determine what it wants done with those subjects in the coming year.

Mr. AIKEN. The point I was raising was that in all probability the OPA, operating as a separate entity, cannot perform the functions on so greatly reduced a scale, but if the functions of rent control were transferred to the Department of Commerce, and sugar and rice control were transferred to the Department of Agriculture, it would be possible to continue such controls at approximately 25 percent of the cost which would be entailed if OPA were retained as a separate agency.

Mr. LANGER. Mr. President, will the Senator yield for another question?

Mr. AIKEN. I yield.

Mr. LANGER. Does that statement mean that the personnel will be reduced 75 percent?

Mr. AIKEN. Yes, if the functions are transferred to other departments of government; but not if the OPA is retained as a separate agency.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. BRIDGES. Under the committee's provision, even as a separate agency, OPA would be reduced by 75 percent. The only question between the Senator from Vermont and myself is that he prefers to have the functions, when the reduction is made, placed in the hands of some other agency rather than in the hands of the OPA until it is transferred.

Mr. AIKEN. I maintain that in all probability the OPA cannot perform its duties with a 75-percent reduction, but that if its duties were transferred to regular departments of the Government they could be administered.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. AIKEN. I yield.

Mr. HAYDEN. Is there any legislation or any prospect of legislation providing for what the Senator is suggesting? As matters now stand, certain bills provide for the control of sugar rationing and the rationing of other commodities?

Mr. AIKEN. Yes.

Mr. HAYDEN. But no action has been taken. The Senate has nothing before it to indicate what will be the recommendations of the committees. In the meantime, the Committee on Appropriations reports a bill with a proviso tying up the money for the OPA in terminal leave and liquidation activities, so reducing the sum that the OPA cannot function, according to the testimony before the committee, beyond the 30th day of next month or about 6 weeks from now. If Congress does not do something by that time there will be no rent control and there will be no sugar rationing. It will all be over, because there will be no money to pay the personnel to carry on.

Mr. AIKEN. I agree with the Senator from Arizona.

Mr. HAYDEN. If that be the case, I do not see why we should tie the subject up in that kind of a package, with the proviso that the OPA must use the money for liquidation and not for operation. Without this directive it would be possible to carry on until Congress can enact appropriate legislation providing that rent control shall be transferred to a certain agency and that sugar rationing shall be transferred to another agency, and directing that the remaining appropriations and personnel be transferred to such agencies so as to enable them to do that work.

We are now acting absolutely in the dark; and any Senator who votes for the proviso, votes to kill rent control on the 30th of April, because under the proviso there is no way that the intention

of Congress can be carried out except by killing rent control and killing sugar rationing on that date. Let us be frank about it.

Mr. TAFT. Mr. President, will the Senator from Vermont yield?

Mr. AIKEN. I yield.

Mr. TAFT. Sugar rationing will be through by March 30, and we shall have a sugar rationing bill by that time. There is no reason why we should not have a rent control bill by the 30th of April. The adoption of the proviso is the way to stop the operations of this agency. If the proviso is deleted, the agency will be back for more money.

Mr. HAYDEN. Oh, no.

Mr. TAFT. It absolutely will be back for more money. If we delete this proviso, the agency will be able to come back to Congress for more money, and will do so, of course.

Mr. HAYDEN. Mr. President, the Senator from Ohio is entirely mistaken about that.

Mr. AIKEN. Mr. President, I agree with the Senator from Ohio that the Congress should act without delay upon rent control and sugar rationing. I do not think we can act too soon upon those two important matters; and when we act upon them, I think we should transfer enforcement of those controls to other agencies of the Government. In the meantime, I think the OPA should have adequate funds with which to perform the duties required of it under the law.

Mr. HAYDEN. I am in entire accord with the views expressed by the Senator.

Mr. AIKEN. I do not like this amendment.

Mr. HAYDEN. I am in entire accord with the Senator's views.

Mr. President, when the Congress passes a bill relating to rent control, regardless of where the appropriation for it may be made, Congress can provide in the bill that the money shall go along with the functions. We shall not lose anything if we proceed in that way. But if by this proviso the Congress directs that the money can be spent only for terminal leave and liquidation expenses, and if no provision is made for sufficient money to enable the agency to carry on its legitimate functions, it must quit. That is all it can do if it obeys the intent of Congress.

The PRESIDENT pro tempore. The question is on agreeing to the amendment of the Senator from Idaho striking out in the committee amendment the proviso at the bottom of page 6.

Mr. BRIDGES obtained the floor.

Mr. CORDON. Mr. President—

Mr. BRIDGES. I yield to the Senator from Oregon.

Mr. CORDON. I should like to inquire of the Senator from New Hampshire whether there is an error in the present wording of the proviso at the bottom of page 6 of the committee amendment. To explain my point, let me say it was my understanding at the committee meeting that the purpose of the proviso was to make available for liquidation expenses and terminal-leave costs all funds made available or remaining available or herein made available to the OPA.

The wording is:

Provided, That it is the intent of the Congress that all funds heretofore and herein appropriated shall be used to defray all expenses incident to the closing and liquidation of the Office of Price Administration and the Office of Temporary Controls by June 30, 1947.

Is it not the Senator's view, as it is mine, that the proper language should be:

That it is the intent of the Congress that the funds heretofore and herein appropriated shall include all expenses incident to the closing and liquidation of the Office of Price Administration and the Office of Temporary Controls by June 30, 1947.

Mr. BRIDGES. That is correct, and that is the way the language should read.

Mr. CORDON. At the appropriate time, I should like to offer an amendment to that effect.

Mr. BRIDGES. After the amendment of the Senator from Idaho is voted upon I think such an amendment would be in order. So far as I am concerned, I shall be delighted to accept it, because I think it clarifies the meaning.

The PRESIDENT pro tempore. In the opinion of the Chair, the language of the proviso should be perfected before the amendment of the Senator from Idaho to strike out the proviso is submitted to the Senate.

Mr. BRIDGES. Very well.

Mr. CORDON. Then, Mr. President, I offer the following amendment: In the committee amendment, on page 6, in line 22, strike out the word "all" and insert in lieu thereof the word "the"; and at the end of that line strike out the word "be." In line 23, on that page, strike out the words "used to defray", and insert in lieu thereof the word "include."

The PRESIDENT pro tempore. The proviso as it would read with the amendment just offered will be stated.

The legislative clerk read as follows:

Provided, That it is the intent of the Congress that the funds heretofore and herein appropriated shall include all expenses incident to the closing and liquidation of the Office of Price Administration and the Office of Temporary Controls by June 30, 1947.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Oregon to the committee amendment on page 6.

Mr. HAYDEN. Mr. President—

The PRESIDENT pro tempore. The Senator from Arizona is recognized.

Mr. HAYDEN. I wish to make inquiry as to the effect of the amendment to the committee amendment. As I read it now it is, again, an expression of a pious wish which carries no legal obligation at all. According to my view of the amendment, it would provide that the Office of Price Administration and the Office of Temporary Controls may use the funds herein appropriated, in part, or to such an extent as they may determine, to cover expenses incident to the closing and liquidation of the respective agencies, but they are not required to do so.

Mr. CORDON. Mr. President, the legal effect of the proviso has at least been stated by the chairman of the commit-

tee to be in accord with his view. My view of it is that it will at least be strongly binding upon the OPA, requiring it to follow the expressed wish of the Congress. As I view the amendment, if it be the expression of a pious wish, at least it is a pious wish exactly and correctly expressed; and as I recall the figures which were before the committee, if the agency follows that pious wish the result will be substantially as follows: The agency now has \$15,000,000 of unused funds from existing appropriations. It estimates that it will need, in round figures, \$12,700,000 to pay terminal leave and liquidation charges. That would leave \$2,000,000 available for current and future expenses, to which there is added, in round numbers, \$8,000,000, making a total of \$10,000,000, exclusive of liquidation costs and terminal-leave costs, with which the OPA can continue in operation until the 30th day of June—or \$2,000,000 a month. The OPA claims it is now spending, in round numbers, \$5,100,000 a month.

Mr. HAYDEN. That is correct.

Mr. CORDON. However, it is also claimed that it will cost \$5,700,000 for the OPA to quit. I do not mean that it will cost the OPA that much to pay wages or to pay accumulated leave; but I mean after the OPA has paid them, it will cost that much money, according to the claim, for the OPA to fold up and quit. I cannot understand how, based on any standard of economy, it can cost \$5,700,000 for that agency to quit work. I believe it can quit with the expenditure of far less money, and I believe that whatever money is saved in connection with that operation will then be available to the OPA to be added to the \$2,000,000 a month, thus maintaining a reasonable operation not only to the end of April, but into May, and, if necessary, to the end of June.

Mr. HAYDEN. Mr. President, I am no better qualified than is the Senator from Oregon to express an opinion as to what the cost of liquidation will be, but I know that personnel are required to cancel leases for offices, to gather up equipment and sell it, to gather up papers and file them in the Archives, and to do all the other things that it is necessary to do, including making up pay rolls, and so forth. The estimate is \$5,000,000. The effect of the amendment, if its provisions should be carried out in good faith, would be to cut down by three-fifths the operation of rent control and of sugar rationing, for, according to the Senator's figure, the force now used in carrying forward the activities of the OPA in connection with rent control and sugar rationing and its other activities would be cut by three-fifths.

Mr. CORDON. If I may answer the question, if we prorate the available funds over 4 months, that is correct. There is no requirement, however, that they be prorated on an average basis. There may be \$4,000,000 used in March, \$3,000,000 in April, \$2,000,000 in May, and one million in June, and there would still be used the same amount of money. There is ample latitude for the Administrator to continue the job which he is now doing, that of reducing the field force and the office force. He says he

can reduce it, and as he does reduce it, he needs less money.

Mr. HAYDEN. It is not possible to liquidate the Boston office and at the same time operate it. Those two things simply cannot be done at the same time. As I pointed out awhile ago, either the office has to be continued to carry on rent control in the city of Boston until the 30th of June, or it will be necessary to liquidate the office, whether it is done in April or May or some other time. It has to be done with all other offices in the United States in the same way.

The PRESIDENT pro tempore. The question is on agreeing to the amendment submitted by the Senator from Oregon [Mr. CORDON] to the committee amendment.

Mr. LUCAS. Mr. President, I have attempted to analyze the amendment which has been reported by the Committee on Appropriations, in the hope that I could go along with the committee; but it seems to me that what we are asked to do would cripple the services of the OPA insofar as any real enforcement of rent control or sugar rationing is concerned. That is especially true if the funds which they have will not enable them to carry on in an efficient way beyond April 30, as is set forth in the letter from General Fleming to the distinguished Senator from New Hampshire [Mr. BRIDGES].

I undertake to say that there is not any evidence before the committee or the Senate on which anyone can make a fair guess as to the number of employees it will take to carry on in an efficient manner the functions of rent control. I am inclined to believe that the agency should be supplied with sufficient personnel to enable it to carry on its work until at least the 30th of June, the date of the termination of the Office of Price Administration.

Why all this rush, Mr. President? Only 2 months or so remain before the OPA will expire, or before whatever is left of it will be transferred to some other Government agency. It is rather strange to see intelligent men rushing forward to cut these appropriations, as is being done now, in order to kill off completely the OPA.

Today there are being considered before the Committee on Banking and Currency bills to increase the amount of rent which may be charged by landlords. I think there is merit in some of the bills which are now before the committee, but I do not think there is anyone who wants to kill rent control completely, and that is exactly what is being done in the pending appropriation bill. When the efficient enforcement of rent control is destroyed as of April 30 and there is no personnel whatever of any kind to carry on enforcement activities of that agency, we might as well say that rent control in this country is at an end.

There will remain on the statute books a law penalizing severely landlords who violate it, yet there will be no one in Boston, Chicago, Detroit, or St. Louis, or any other regional office with the personnel to do anything whatever about the enforcement of that law from April 30 to June 30. It is preposterous to have

a law with criminal penalties without any machinery for enforcement. That is the truth of the matter, and there is no way of escaping it. This is the beginning, by a back door method, of destroying rent control. If that is the purpose it should not be effectuated by indirect methods.

Those who favor such a course should come forward with a bill, let the Senate debate it pro and con, and decide whether it wants to continue sugar control, whether it wants to continue rent control, or any other control that is in existence at the present time.

Such proposals are frequently made by the Committee on Appropriations of the Senate. Instead of letting the proper legislative committee propose a bill, they take it upon themselves to put some agency out of existence by denying it the proper appropriation.

Mr. MYERS. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield to the Senator from Pennsylvania.

Mr. MYERS. Then, am I to understand the Senator from Illinois to mean that it is his interpretation that a vote against the Taylor amendment is a vote against effective rent control as of April 1, 1947?

Mr. LUCAS. That is my own opinion about it.

Mr. MYERS. I am perfectly in accord with the Senator's opinion. That is my own opinion.

Mr. LUCAS. That is my opinion about the matter. I must reach that conclusion after I carefully analyze the letter which has been written by General Fleming, who is now in charge of the agency affected.

Mr. HAYDEN. Mr. President, will the Senator from Illinois yield?

Mr. LUCAS. I yield to the Senator from Arizona.

Mr. HAYDEN. I wish to invite the attention of the Senator and of the Senate to the fact that if we adopt the pending amendment General Fleming, as the responsible executive officer, will construe it to mean that he must close down rent control and close down sugar rationing on the 30th day of April, as the only way in which he can carry out the directive. If we understand that and know what we are doing, it is all right with me.

Mr. LUCAS. I will say, with all due deference to the ruling of the Chair—and I think he is correct in it—in view of the fact that OPA has taken a continuous pounding by the Senate of the United States for failure to carry out the intent of the Congress, if I were in Philip Fleming's place I would follow out the letter of the proviso.

Mr. HILL. Mr. President, is it not true that the Senate Committee on Banking and Currency is the committee which has jurisdiction over the matter of controls, rent control and the other controls?

Mr. LUCAS. The Senator is correct.

Mr. HILL. And that that committee, or a subcommittee has been studying the matter ever since the present Congress met, and from what we see in the newspapers, is not that committee about ready to render its decision as to what it thinks should be done?

Mr. LUCAS. That is correct.

Mr. HILL. Yet, without waiting for the decision of the proper committee, the committee which has studied the matter, the committee whose business it is to suggest legislation on the subject, we are asked this afternoon, in considering the pending appropriation bill, to stamp out rent and other controls.

Mr. LUCAS. The Senator is absolutely correct on that score, and that is what I said a moment ago with respect to rent control. That is one of the last controls that is left in the United States. If we had plenty of sugar at the present time there would be no rationing of sugar; but, so far as I know, no one wants the complete abandonment of control over rents. There are many bills before the Committee on Banking and Currency with respect to an increase in rent charges, many of which in my opinion have merit. But speaking directly to my able friend from New Hampshire, for whom I have great affection, I say that just so surely as this amendment shall be agreed to, we will find on April 30 that there will be no rent control whatever in this country. One office after another will be completely closed, or at least will have working only a skeleton force which will not be worth talking about so far as any real enforcement is concerned. Just so surely as rent control is broken down during May and June, then when an attempt is made to reestablish it, the situation will be reminiscent of what happened last year. Senators recall, no doubt, what happened last year in the case of OPA after we took off the controls and then attempted to reestablish them. It just did not work, and this will not work either.

I hope that the Senator from New Hampshire will withdraw the committee amendment, because of the ruling of the Chair, who emphatically states that this proviso means nothing, and yet I am certain the agencies responsible for its administration are bound to construe it in the manner stated by the Senator from Arizona.

Mr. BRIDGES. Mr. President, will the Senator yield?

Mr. LUCAS. I yield.

Mr. BRIDGES. Has the Senator concluded?

Mr. LUCAS. I have not concluded; but I shall be glad to yield.

Mr. BRIDGES. I merely desire to keep the record straight. I do not desire to ask the Senator a question, but I should like to straighten out the record a little, if I may.

Mr. LUCAS. I would be pleased to have the record straightened out.

Mr. BRIDGES. The Senate Committee on Appropriations did not voluntarily come in with this provision. How did it originate? The OPA themselves came before the Congress and in effect said, "We have violated the law; we have violated title 31 of section 665 of the United States Code." That being so, the officials are subject to the penalty of imprisonment, and drastic action may be taken. Let me say to the Senator, the departments of the Government for 15 years have been operating on a deficit basis. They do not know how to live within their

appropriations, and many of them frankly do not intend to do so.

This issue was not raised by the Senate or by the Senate Committee on Appropriations; it was raised by the OPA. Why? Because they had violated the laws of the land by spending more money than the law authorized; after which they came forward with requests for deficiency appropriations.

The Senator has stated that a vote for this measure is the beginning of the end of rent control. I say that that is incorrect. A vote for it is a beginning of the end of OPA; I admit that; but not of rent control. Of course, they can carry on. Let us be fair. Let us take the Washington office. Turning to the House hearings, at page 80, whom do we find they have employed in the Washington office?

Mr. LUCAS. Mr. President, do I have the floor?

The PRESIDENT pro tempore. The Senator from Illinois had the floor. He has yielded. He may reclaim the floor if he wishes to do so.

Mr. LUCAS. I merely wondered if I had the floor.

Mr. BRIDGES. I told the Senator I was not asking a question; but I should like the courtesy of being permitted to explain the position.

Mr. LUCAS. That is perfectly all right. Go right ahead.

Mr. BRIDGES. In the Washington office there are 914 employees receiving in excess of \$4,000 a year. There are but 851 employees of less than executive status. In other words, there are more executives than there are ordinary employees in the Washington office. That is a deplorable condition—there are more generals than privates.

Let us look at some of them. On page 80 of the House hearings there are listed 12 economists. We are told that the only thing that is being done is the work of rent control; the only things they are doing are rice rationing and sugar rationing. Why do they need 122 economists, if all that is being done is to regulate those three things?

Looking further down the list, we find graphic analysts, executive officers, training specialists—employees are still being trained—commodity standards specialists; historians. There is almost an entire group of historians working in the Washington office at the present time. There are employees of all kinds—personnel officers, archivists—I do not know what they are, but there are quite a number of them on the pay roll, all in big executive jobs, all receiving more than \$4,000 a year. In the Washington office I repeat, there are more executives than there are ordinary personnel. That holds true throughout OPA.

Let no one tell me that it is impossible to cut down the personnel of OPA and still have it operate in an efficient manner, performing the job that has been given it to do, which is to perform only those three functions until June 30.

Mr. LUCAS. Mr. President, I shall not detain the Senate much longer. If it is desired to cut off OPA at the roots, at this particular time, I can stand it. I

shall be able to get along. But I believe that the country would be better satisfied if we liquidated OPA in an orderly and systematic fashion. That is all I am advocating.

I make the prophecy that if this amendment is adopted, OPA will for all intents and purposes be completely out of business on April 30. We will experience a total break-down in the rent controls throughout the country.

Mr. President, I respectfully submit that this is not the way to eliminate rent and sugar controls. Once the enforcement agency is put out of business, it will never again function. I suspect that is exactly what is wanted by some Senators, but that is not the way that I would do it. That is especially true, in view of what the Committee on Banking and Currency is doing now with respect to the bills which have been introduced, seeking to raise rents by a percentage, but not abolishing rent control altogether.

The PRESIDENT pro tempore. The question is on the amendment submitted by the Senator from Oregon [Mr. CORBON].

The amendment was agreed to.

The PRESIDENT pro tempore. The question now recurs on the motion of the Senator from Idaho [Mr. TAYLOR], to strike out the proviso at the bottom of page 6, as amended.

Mr. HAYDEN. Let us have the yeas and nays.

Mr. BRIDGES. Mr. President, I ask for the yeas and nays.

The yeas and nays were ordered.

Mr. WHITE. Mr. President, I suggest the absence of a quorum.

The PRESIDENT pro tempore. The clerk will call the roll.

Aiken	Hawkes	Morse
Baldwin	Hayden	Murray
Ball	Hickenlooper	Myers
Barkley	Hill	O'Connor
Brewster	Hoey	O'Daniel
Bricker	Holland	O'Mahoney
Bridges	Ives	Overton
Brooks	Jenner	Pepper
Buck	Johnson, Colo.	Revercomb
Bushfield	Johnston, S. C.	Robertson, Va.
Butler	Kem	Russell
Byrd	Kilgore	Saltonstall
Cain	Knowland	Sparkman
Capehart	Langer	Stewart
Capper	Lodge	Taft
Chavez	Lucas	Taylor
Cooper	McCarran	Thomas, Okla.
Cordon	McCarthy	Thomas, Utah
Donnell	McClellan	Thye
Dworshak	McFarland	Tobey
Eaton	McGrath	Umstead
Ellender	McKellar	Vandenberg
Ferguson	McMahon	Wagner
Flanders	Magnuson	Wherry
Fulbright	Malone	White
George	Martin	Wiley
Green	Maybank	Williams
Gurney	Millikin	Wilson
Hatch	Moore	Young

The PRESIDENT pro tempore. Eighty-seven Senators having answered to their names, a quorum is present.

The question is on agreeing to the amendment of the Senator from Idaho [Mr. TAYLOR] to strike out the proviso at the bottom of page 6, as amended. On this question the yeas and nays have been ordered.

Mr. HAYDEN. Mr. President, I should like to state for the information of Senators who have just come into the Senate

Chamber the effect of the adoption of the proviso. According to the testimony before our committee and according to the letter written by General Fleming, he will carry out the intent of Congress, but in order to do so he will pay out some \$7,000,000 in terminal leave and liquidation will cost about \$5,000,000, which means that sugar rationing and rent control will come to an end on the 30th day of April. If Senators want to cut off sugar rationing and rent control on the 30th of April, they should vote "nay" on the pending question. If Senators want to have sugar rationing and rent control carried on in a reasonable way until Congress can act, then they should vote to strike out the proviso.

Mr. TAFT. Mr. President, I merely wish to point out that so far as sugar rationing is concerned, it ends on the 31st of March, anyway, and we have to pass a sugar bill before the 31st of March if we wish to have the sugar rationing continued, because the Second War Powers Act has expired.

So far as rent control is concerned, there is no reason whatever why we should not decide what our policy with respect to rent control shall be before the 30th of April.

Mr. HAYDEN. The Senator from Ohio does not disagree with me, however, that the administrative authority, for whom we are making this appropriation, serves notice on the Congress now that in good conscience we should know what he intends to do in the carrying out of this proviso, which is to bring these two controls to an end on the 30th of April.

Mr. LODGE. Mr. President, during the years I was a member of the Appropriations Committee, I often heard some of the executives of Government agencies state that they could not do this or could not do that unless they were granted a certain amount of money. I am sure they were often very sincere in such statements. Yet it is remarkable what can be done when the old American spirit of improvisation is invoked. So I do not think we can accept didactic statements on either side of this question exactly as they are written.

I was a little late in coming into the Senate Chamber because I had some other business to attend to. I should like to ask the Senator from New Hampshire one or two questions to clarify the subject in my mind. As I understand, \$9,000,000 was asked for, but was not allowed by the House. Is that correct?

Mr. BRIDGES. No. When OPA came before the House they said they had approximately \$9,000,000, and then they asked for a sum of \$5,290,000 in a new appropriation. What the House did was to deny them the appropriation and make a rescission, that is, the House provided that they should pay back into the Treasury \$9,000,000, which in effect would have closed their doors on February 28.

Mr. LODGE. The point on which I am trying to get enlightenment is this: On page 2 of the report the statement is made, and I do not see that it is challenged anywhere, that an appropriation

of approximately \$8,000,000 is to be made to permit the OPA to carry on until June 30, 1947, and to provide for the liquidation activities and the payment of all terminal leaves. That indicates to me that the activities could be continued until June 30, 1947. Is that correct?

Mr. BRIDGES. That is correct.

Mr. LODGE. Then it is evident that the contention that OPA could continue only until April 30, 1947, is simply a mere matter of opinion?

Mr. BRIDGES. That is correct.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Idaho [Mr. TAYLOR] to strike out the proviso as amended.

Mr. THOMAS of Oklahoma. A parliamentary inquiry.

The PRESIDENT pro tempore. The Senator will state it.

Mr. THOMAS of Oklahoma. Is it not a fact that the lines proposed to be eliminated are now in the bill? Therefore the question is whether those lines shall remain in the bill. Senators who favor the retention of the lines, which mean the proviso, should vote "yea," and those opposed to the retention of the lines should vote "nay"?

The PRESIDENT pro tempore. That is not the Chair's understanding of the situation. The Senator from Idaho has offered an amendment striking out the proviso. Therefore the question is submitted in this form. Those who wish to strike out the proviso will vote "yea". Those who wish to retain the proviso will vote "nay."

The clerk will call the roll.

Mr. TAYLOR. Mr. President—

The legislative clerk proceeded to call the roll; and Mr. AIKEN voted "yea" when his name was called.

Mr. TAYLOR. Mr. President, in view of the Chair's ruling that the proviso as it now stands merely expresses a pious wish, it seems to me to be passing strange that through the Congress should undertake to enact legislation that really has no meaning and will be confusing to everyone, including the agency at which it is aimed. If we are going to indulge in that kind of practice perhaps we had better install on the floor of the Senate in front of the desk, a wishing well, where we can throw such legislation.

Mr. BREWSTER. Mr. President, a point of order.

The PRESIDENT pro tempore. The Senator will state it.

Mr. BREWSTER. I understood the call of the roll had been begun, and that the Senator from Vermont [Mr. AIKEN] had voted "yea" when his name was called.

The PRESIDENT pro tempore. The Senator from Idaho addressed the Chair before the vote started. In the opinion of the Chair the Senator from Idaho is entitled to proceed.

Mr. TAYLOR. Mr. President, I mean to say that if—

Mr. AIKEN. Mr. President, a point of order.

The PRESIDENT pro tempore. The Senator will state it.

Mr. AIKEN. Does my vote stand?

The PRESIDENT pro tempore. The Senator's vote does not stand. If the

Senator responded, the vote does not stand. The roll call will start from the beginning when it is called.

Mr. AIKEN. I thank the Chair.

The PRESIDENT pro tempore. The Senator from Idaho may proceed.

Mr. TAYLOR. Mr. President, I am a member of the Committee on Banking and Currency. As has been previously pointed out, we have been considering the subject of rent control for a number of weeks and have done much work on it. If now we are to kill rent control by indirection, it will make all the work which we have been doing in the committee a complete loss, and will make a farce of the whole operation.

As I understand, the Reorganization Act is specifically against the idea of legislating on appropriation bills. It was most gratifying to me a moment ago to hear the Senator from Nebraska [Mr. WHERRY] try to get out from under the responsibility for killing OPA last summer by stating that the President killed OPA.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. TAYLOR. I am happy to yield.

Mr. WHERRY. I asked the question if it was not true that the President killed OPA. I am not trying to get out from under anything.

Mr. TAYLOR. I did not so understand the Senator.

Mr. WHERRY. I asked the question, Did not the President kill OPA? Let the Senator answer the question.

Mr. TAYLOR. I did not so understand the Senator.

Mr. TOBEY. Mr. President, will the Senator yield?

Mr. TAYLOR. I yield.

Mr. TOBEY. Who killed Cock Robin?

Mr. TAYLOR. Mr. President, this is the first time I ever heard the Senator from Nebraska when he was willing to share honors with the President of the United States on the question of who killed OPA. I distinctly remember the Senator from Nebraska and the distinguished Senator from Ohio [Mr. TAFT] almost coming to blows on the other side of the aisle over who should have the greatest honor in killing OPA.

Mr. WHERRY. Mr. President, will the Senator yield?

Mr. TAYLOR. I yield.

Mr. WHERRY. The Senator from Texas [Mr. O'DANIEL] wanted the honor.

Mr. TAYLOR. He wanted to participate, but he did not take part in the argument between the Senator from Nebraska and the Senator from Ohio. That was one of the most heated arguments I have ever heard on the floor of the Senate. The argument was over the question who had been most influential in scuttling OPA. Both Senators wanted the honor. The time seems to have come when they are not so anxious to have the honor, and they are willing to take President Truman in and share the honor with him. The chickens are coming home to roost. Prices are going out through the roof of the hen house, and it is time to take to the tall timber, hide out in the tules, and try to become pygmies in the pigweeds to confuse the issue further.

Let us not allow the same thing to happen again. OPA was killed with amendments last summer. Of course, we tried to revive it, but it simply would not work. Sure enough, the President had to inter the corpse, but let us not have the same thing happen again. Let us make it clear that on this amendment a vote to retain the proviso as it is is a vote to kill OPA as of April 30, according to General Fleming.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Idaho [Mr. TAYLOR], to strike out the proviso beginning in line 21, on page 6, as amended. On this question the yeas and nays have been ordered. The clerk will call the roll.

The legislative clerk called the roll.

Mr. WHERRY. I announce that the Senator from Kansas [Mr. REED] is necessarily absent and is paired with the Senator from New York [Mr. WAGNER].

The Senator from New Jersey [Mr. SMITH] is absent because of illness and the Senator from Wyoming [Mr. ROBERTSON] is necessarily absent on State business.

Mr. LUCAS. I announce that the Senator from Texas [Mr. CONNALLY] is en route to Waco, Tex., to be present on the occasion of the awarding of an honorary degree to President Truman by Baylor University on Thursday, March 6. The Senator from Texas is an alumnus of Baylor University.

The Senator from Mississippi [Mr. EASTLAND] and the Senator from New York [Mr. WAGNER] are necessarily absent.

The Senator from California [Mr. DOWNEY] and the Senator from Maryland [Mr. TYDINGS] are absent because of illness.

The Senator from New York [Mr. WAGNER] has a general pair with the Senator from Kansas [Mr. REED].

If present and voting, the Senator from California [Mr. DOWNEY] and the Senator from New York [Mr. WAGNER] would vote "yea."

The result was announced—yeas 29, nays 58, as follows:

YEAS—29

Alken	Holland	O'Mahoney
Barkley	Kilgore	Pepper
Chavez	Lucas	Robertson, Va.
Ellender	McFarland	Russell
Fulbright	McGrath	Sparkman
Green	McMahon	Stewart
Hatch	Magnuson	Taylor
Hayden	Murray	Thomas, Utah
Hill	Myers	Umstead
Hoey	O'Connor	

NAYS—58

Baldwin	George	Moore
Ball	Gurney	Morse
Brewster	Hawkes	O'Daniel
Bricker	Hickenlooper	Overton
Bridges	Ives	Revercomb
Brooks	Jenner	Saltonstall
Buck	Johnson, Colo.	Taft
Bushfield	Johnston, S. C.	Thomas, Okla.
Butler	Kem	Thye
Byrd	Knowland	Tobey
Cain	Langer	Vandenberg
Capehart	Lodge	Watkins
Capper	McCarran	Wherry
Cooper	McCarthy	White
Cordon	McClellan	Wiley
Donnell	McKellar	Williams
Dworshak	Malone	Wilson
Ecton	Martin	Young
Ferguson	Maybank	
Flanders	Millikin	

NOT VOTING—8

Connally Reed Tydings
Downey Robertson, Wyo. Wagner
Eastland Smith

So Mr. TAYLOR's amendment was rejected.

The PRESIDENT pro tempore. Does the Senator from Idaho wish to offer his other amendment now?

Mr. TAYLOR. No. As I understand, the other amendment should be offered at a later time.

The PRESIDENT pro tempore. If the Senator wishes to change the amount in this section he should offer his amendment now.

Mr. TAYLOR. No, Mr. President.

The PRESIDENT pro tempore. The question is on agreeing to the committee amendment on page 6, beginning in line 21, as amended.

The amendment as amended was agreed to.

AMERICAN AIR POWER

Mr. McCARRAN. Mr. President, on several occasions in the past I have drawn the attention of the Senate to conditions existing with reference to American air power abroad. An article entitled "Will Russia Rule the Air?" by W. B. Courtney, appearing in *Colliers* magazine of January 25, 1947, is most interesting and should be brought to the attention of the Congress. The subtitle, reading as follows, is especially interesting:

Who dominates the ocean of the air will control the world tomorrow. The race is on. It's conceivable that we could lose it—other nations are already leaving us behind. Here are startling facts—a survey of supreme importance to the future of every American.

I ask unanimous consent that the article be included in the RECORD, in connection with my remarks.

There being no objection, the article was ordered to be printed in the RECORD, as follows:

WILL RUSSIA RULE THE AIR?

(By W. B. Courtney)

(Who dominates the ocean of the air will control the world tomorrow. The race is on. It's conceivable that we could lose it—other nations are already leaving us behind. Here are startling facts—a survey of supreme importance to the future of every American.)

One hundred and seventy-two years ago come April 18, on a night when danger threatened, a patriot hung two lanterns in the tower of the Old North Church in Boston.

Every American child early learns the story. The lanterns were a prearranged signal for which Paul Revere watched from the opposite shore—"Ready to ride and spread the alarm. One, if by land, and two, if by sea."

Their faint gleams across the dark Charles River, summoning the country folk to assemble, united against a common peril, have never gone out. The light they made in that New England spring midnight has lived as a spiritually illuminated call for Americans, old and new, of whatever race or faith, to unite.

The time has come to hang a third lantern aloft.

For the Old North Church, substitute the Capitol in Washington. For the patriot of 1775, substitute the Eightieth Congress of the United States. And to the two lanterns add the third for "if by air."

We've got to get together again.

In the air, a grave hazard is clouding over the United States today.

The danger is not, primarily, one of war. There is a justification for a hope—if not yet for a firm belief—that war may have gone for good. But the possibility of war, and its unsure fortunes, must still be reckoned an unpredictable part of the future of any nation.

The danger, for the time being, lurks in peace. All thinking men know that peace must bear inherent risks and problems no less complex than those of war. The United States can lessen those risks. Little needs to be done; just a resolute uniting—akin to Concord and Lexington. The means are in our hands. We invented and developed them.

Unfortunately, they are not in our hands alone. During the war we shared our means with friends who, becoming our rivals in peace, have turned them against us. In an economic and political sense their widespread custody now stiffens the talk of foreign statesmen and the confidence of foreign militarists. The greatest stalling in diplomatic history is now taking place. It has this reason behind it:

Our third lantern is to signal not the imminent approach of a foe by stealth in the night but the first lap of a race. It is a great world race, paced by historic precedents. It is no less an actual race because it has not yet reached full public knowledge and debate. It is supremely necessary, then, for Americans to recognize the race.

This race is for command of another ocean, upon the shore of which mankind now chafes; the ocean of the air—the ocean with the coast line that stands on edge. Its conquest requires vision, but is no longer visionary. The beach has been consolidated. Brain, courage, and soul brought man to it. Now he is preparing to shove off.

The stake is prodigious.

Victory in the race will gain for the winner moral, economic, and political world leadership.

The race can be won without another war. The United States had the best chance of winning it. But the United States is no longer running in first place. Only three nations have the requisite might, size, and resources to compete at all—Great Britain, Russia, and the United States.

The recent war did not cause the three-way race, although the last bomb dropped on the Axis was its starting gun. What the war did was lend urgency to fantastic advances of science which, becoming available, for use or misuse by governments made such a race inevitable. For shadows, rising out of long past centuries, had written an old lesson in new skies. It is that a basic new world pattern begins to unfold in men's affairs with each advent of a truly revolutionary basic new power.

The new power is air power—suddenly full grown by the infusion of atomic power. Not air power in its partial military sense, but in its complete sense of airfaring; in the sense of the relationship that sea power bore to the importance of seafaring nations.

Before the dawn of history, man guided his boats along coastal outlines; or, at the most venturesome, to visible islands. He was afraid to leave the familiar sight of land. About 2000 B. C., from the land of Canaan on the eastern Mediterranean, the Phoenicians took the most imaginative and daring step of ancient times, and pushed out straight across the markless waters.

ADVENT OF INTERNATIONALISM

A new power was born—sea power. A new character was made available for nations—seafaring. A new relationship between ocean-separated countries was created—the first genuine internationalism.

The seafaring Phoenicians ruled Mediterranean commerce, and even traded as far

away as the East Indies and the Baltic. Greece, Rome, Turkey, and the Italian city states were helped by sea power in their flourishing years; and the seafaring Hanseatic league spread prosperity through north Europe. By the sixteenth century the race for leadership in the design then fully spread out by the seafaring age of discovery, was intense. England finally won command of the ocean of water that had fixed the pattern; and held it against Holland, Denmark, France, and Germany.

England's dominion for 300 years over palm and pine in world affairs, her famous balance of power policy, were rooted in command of the ocean.

The parallels are inescapably plain.

The winner of air ocean command will be the Britannia of future years; but immensely more potent on this shrunken globe. The lesser airfaring nations will subsist by her grace.

POLITICAL SWING AS SHOWN BY GALLUP POLL

Mr. JOHNSTON of South Carolina. Mr. President, earlier today the senior Senator from New Mexico [Mr. HATCH] had something to say in regard to the failure of some persons to appreciate the work the President of the United States is doing today. I think the people as a whole appreciate what he is doing. In that connection let me say that I hold in my hand the Gallup poll which was published today in the *Washington Post*. It reads as follows:

THE GALLUP POLL—DEMOCRATS IN SHARP RALLY; NOW POLL 51 PERCENT IN SURVEY—PARTY STATUS GAINS 6 PERCENTAGE POINTS SINCE RECENT LOW

(By George Gallup, director, American Institute of Public Opinion)

PRINCETON, N. J., March 4.—Republican leaders who have been viewing the 1948 Presidential election picture with rose-colored glasses had better take them off.

For the swing of voters' sentiment in recent weeks has been back toward the Democratic Party—sharply.

In fact, if a Presidential election were being held today, 51 percent—a majority—say they would prefer to cast their votes for the Democratic Party, 49 percent for the Republican Party.

This means that the Democratic Party has regained in Presidential party support 6 percentage points from its post-Roosevelt low right after the November elections.

A lot will of course depend on the candidates, both the Republican and the Democratic, and the question of candidates was not a part of today's survey.

HAS SLIGHT MAJORITY

The facts in today's story are based on a question dealing with party preferences in a Presidential election today—aside from who the candidates may be.

Research experience during the past 11 years indicates that polls of this kind provide the best index of party strength throughout the Nation.

Democratic Party strength sagged to its lowest point in a poll by the Institute right after the November elections. At that time, 45 percent said they would prefer a Democrat in a Presidential election then.

From that point on, Democratic Party strength has been climbing.

These facts are shown in the following table giving replies in periodic surveys on the question:

"If a Presidential election were being held today, which party would you vote for—the Democratic or the Republican?"

Major party vote

	Democratic	Republican
	Percent	Percent
1944 election.....	54	46
August 1945.....	58	42
February 1946.....	55	45
May.....	52½	47½
July.....	49	51
September.....	50	50
October.....	47	53
November (postelection).....	45	55
December.....	47	53
January 1947.....	50	50
Today.....	51	49

Certainly one of the contributing factors (but not necessarily the primary one) in the Democratic recovery as shown above is the rising popularity of President Truman, who was found at an all-time low in popularity before the November elections.

From a low in October of 32 percent approving the way Mr. Truman was handling his job, the President's rating soared 16 percentage points—to 48 percent. This rise was reported by the institute in early February.

Whether the movement toward the Democratic Party will continue is a question which only the future can answer.

Meanwhile, the Democrats find themselves in a vastly different position today from what they were a few short months ago, when some observers were handing the Presidency to anyone the Republicans might choose to put up.

Readers should be reminded that it is not popular votes but electoral votes which elect Presidents. Because of the peculiar situation which exists in the South, where the overwhelmingly majority of popular votes go to the Democratic candidate, the Democrats normally need slightly more than 50 percent of the popular vote for the Nation as a whole in order to win enough electoral votes to elect their man.

Mr. President, if my memory serves me correctly, a former Gallup poll was quoted by the Republicans last year, just before the election, almost as if it were the Bible.

In the Gallup poll which I have just read to the Senate, I notice that Mr. Truman's rating has risen 16 percentage points. I think it would be well to call the attention of the Nation to what the people are thinking about the President. I wish it were possible to print in the CONGRESSIONAL RECORD the picture which appears at the top of the article I have read, for it is most informative. However, I understand it is not possible to have illustrations printed in the RECORD. That is unfortunate, for I believe the picture would convey an excellent idea of the swing in the sentiment of the people throughout the Nation.

Immediately after the election I predicted that the Senators across the aisle would handle matters in such a way that when they got through labor would not be satisfied, capital would not be satisfied, and nobody would be satisfied. I think that prediction has about come true. If we give them a few more months, we shall not have to even make any speeches when the campaign begins in 1948.

NOMINATION OF DAVID E. LILIENTHAL

Mr. STEWART. Mr. President, I desire to read a letter which is of interest in connection with the matter of the confirmation of the nomination of David E. Lilienthal. The letter turned up during the hearings before the Senate sec-

tion of the Joint Committee on Atomic Energy. The letter is from the Commerce Clearing House, Inc., of Chicago. It was filed in the record of the hearings before that committee the other day by Mr. Lilienthal himself, according to my information, and it was done in an effort to explain why Mr. Lilienthal, in violation of the plain provisions of Wisconsin law, was receiving compensation from two sources at the same time. In other words, he had a position on the Wisconsin Public Service Commission, under the State of Wisconsin, and at the same time he continued to represent the Commerce Clearing House, of Chicago, a client of his.

The letter is dated February 5, 1931. I call attention to that date because it is exactly 7 days before Mr. Lilienthal was employed by the State of Wisconsin to serve the Wisconsin Public Service Commission, then called the Wisconsin Railroad Commission. The letter reads as follows:

COMMERCE CLEARING HOUSE, INC.,
Chicago, February 5, 1931.

DEAR MR. LILIENTHAL: Following your report to me yesterday that you would like to accept the position of member of the Wisconsin Railroad Commission, provided your appointment is confirmed, I am glad to inform you that we should be willing to give you a leave of absence for a year, with an option to renew the absence the second year.

It is understood that you will render no personal services for us during this period and will receive no compensation from us. The editorial work heretofore performed by you and carried on in your office by assistants under your direction is to be continued by them during your absence, pursuant to this arrangement.

Your present weekly check from us of \$385 will be reduced initially to \$240 per week. This check will be drawn directly to you to avoid unnecessary bookkeeping and is to reimburse you for liabilities (such as rent, salaries, etc.) heretofore assumed by you primarily to carry on our work. In addition to such reimbursement, these weekly checks drawn to you during your absence will include a margin above reimbursement as part payment for your past services, particularly in the training of assistants to carry on this editorial work. We estimate this sum to be \$2,000 per year, although it may be less. Your right to the reimbursement of payments above provided for is not, and will not, be in any way affected by the extent to which we market the service.

COMMERCE CLEARING HOUSE, INC.,
WM. KIXMILLER, President.

Accepted:

DAVID E. LILIENTHAL.

Mr. President, that concludes the letter. I read it in order to emphasize the fact that the young lady, whose name I do not recall now, but who testified at the hearings a few days ago and said she was Mr. Lilienthal's secretary at that time, stated that she and two other clerks worked in the office for Mr. Lilienthal before he was employed by the Wisconsin Railroad Commission and for 18 or 19 months thereafter, and that for that service to Mr. Lilienthal they were paid. Her salary, as I recall, was \$28 a week, the second clerk received \$24 a week, and the third about \$17.50 a week, very small salaries.

I read this letter in corroboration of her testimony to the effect that for a year and a half, in violation of law, Mr.

Lilienthal continued to draw compensation from the Commerce Clearing House, his client, during the period following his appointment on the Railroad Commission of Wisconsin.

Mr. KNOWLAND. Mr. President, will the Senator from Tennessee yield?

Mr. STEWART. I yield to the Senator from California.

Mr. KNOWLAND. I do not know whether the Senator has been closely following the hearings before the Senate section of the Atomic Energy Committee, but the evidence presented before that committee indicates quite clearly, I believe, that there was no effort to hide the fact that Mr. Lilienthal had such arrangements with the Commerce Clearing House. To the contrary, there is a telegram in the RECORD from the then Governor of Wisconsin, Phil La Follette, saying that a full disclosure had been made of these arrangements, and that they were well known. The testimony before the committee indicates that there was no attempt to hide the arrangement to which the Senator has referred, and the letter itself was offered as evidence before the committee by Mr. Lilienthal.

Mr. STEWART. I had understood the situation to be exactly as related by the Senator from California, but certainly he does not take the position that Governor La Follette had a right to give Mr. Lilienthal permission to violate the law.

Mr. KNOWLAND. No, and of course that would be a matter of interpretation. I do not think Mr. Lilienthal maintains, nor do I think the evidence supports the contention, that Governor La Follette gave any permission to violate the law of Wisconsin. To the contrary, the other interpretation which might be placed upon it is that there was no violation of the law of Wisconsin.

Mr. STEWART. The Senator read the law of Wisconsin that was placed in the RECORD, did he not?

Mr. KNOWLAND. Yes.

Mr. STEWART. It provided that no man should serve on the Railroad Commission who was employed in any other occupation.

Mr. KNOWLAND. I did not intend to get into a full time debate on this subject at this time, except that I wanted to keep the record straight regarding the testimony before the committee.

Mr. STEWART. The Senator said it was a matter of interpretation, and I was proceeding to interpret it. When the law says no man can follow any other occupation, that covers every sort of situation that can be named. It means not only another position of public trust but any other employment. The purpose is manifold. But we will not take time to discuss it now. I read this latter to emphasize the fact that Mr. Lilienthal served two masters, that he was otherwise employed at the same time he was employed by the Wisconsin Railroad Commission, that he was also accepting remuneration or fees by reason of being employed by a private concern, and that that was in violation of the absolutely plain wording of the Wisconsin law.

Mr. President, I should like to read an editorial which appeared in the Washington Times-Herald today, entitled "These Days," by George E. Sokolsky. He says:

Whatever may be Senator McKellar's faults, he never sought patronage from TVA. Whatever may be the cause of his opposition to David Lilienthal, it has never been due to the fact that Lilienthal refused McKellar patronage.

Yet the lie has been spread, repeated, reiterated, retailed, and retold that McKellar is a patronage hunter and that Lilienthal is an angel-pure reformer who gives no patronage to Senators. Let's have a look at the record:

On February 19, 1945, before a senatorial committee, David Lilienthal testified:

"Mr. LILIENTHAL. I am convinced no one can point to any instance in which the TVA employees or anyone connected with TVA has participated in politics.

"Senator McKellar. I am equally confident that I have never attempted to introduce any political matter into the TVA from the very beginning to the present time."

On June 20, 1946, the following colloquy took place (the chairman is Senator McKellar):

"The CHAIRMAN. In 1945 you were present before the committee and I asked you a question and I want to ask that question again, now.

"Did I ever recommend any human being to you or to your authority, so far as you know, to hold any office in your organization or any position in your organization?"

Speaking of TVA:

"Mr. LILIENTHAL. Senator, so far as I can recall, and I think I would recall, you have never urged the appointment of any individual.

"The CHAIRMAN. I am sure that is correct, and I want to thank you for that statement.

"Mr. LILIENTHAL. If there are any exceptions I believe they would be purely formal recommendations."

The editorial continues and states that the committee had to investigate this proposition of patronage-seeking by Senator McKellar:

It has held hearings at which some lauded Lilienthal to the pearly gates of heaven beyond the just deserts of any human being, while other condemned him as a traitor in sheep's wool.

His friends assumed that anyone who praised him is a candidate for celestial honors, while those who opposed him are in a deep conspiracy to rob the United States of a great mind, a noble personality, a paragon of perfection.

Recital of hyperbole is not investigation.

The editorial then suggests that the committee should undertake an investigation of the Southern Conference for Human Welfare, which was averted to before it. I know nothing about it. I was not present. The editorial continues:

In the early days of the New Deal, such congressional committees as those headed by Senator Hugo Black or Senator Robert La Follette were not so squeamish about the feelings of persons alive or dead. They investigated with a deep and barbed probe.

These current Republicans are either too lazy, too incompetent, or too gentlemanly. The fact is that they are investigating nothing.

It is important that the voters who elected these Republicans to office know that the Republican Senators, particularly some of the freshmen, are not functioning as a political party, but are individually submitting to pressures by so-called liberal groups which kept them out of office for 14 years and are

splitting them into splinters with the object of achieving their defeat in 1948.

Mr. President, I ask that the remainder of the editorial be printed in the RECORD as a part of my remarks.

There being no objection, the remainder of the editorial was ordered to be printed in the RECORD, as follows:

The honeymoon for freshmen Senators is over. Some freshmen Senators, who are so wet behind the ears that they cannot read a bill without instruction, refuse to accept the advice, counsel, and direction of their elders, because they figure that they will shop around for support that will give them advantage in the New York City headlines and in the weeklies published in New York for national consumption.

In the Lilienthal matter, some of these boys are the carriers of the lie about McKellar's patronage, and they will have to keep far away from patronage themselves hereafter lest the adage concerning those who live in glass houses be applied to them.

URGENT DEFICIENCY APPROPRIATIONS

The Senate resumed the consideration of the bill (H. R. 1968) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1947, and for other purposes.

The PRESIDENT pro tempore. The clerk will state the next amendment of the Committee on Appropriations.

The next amendment was, under the heading "Independent Offices," on page 7, after line 1, to insert:

FEDERAL SECURITY AGENCY

BUREAU OF EMPLOYEES' COMPENSATION

Employees' compensation fund: For an additional amount, fiscal year 1947, for "Employees' compensation fund", \$3,474,000, to be expended in accordance with the provisions of Public Law No. 650, Seventy-ninth Congress, second session, and the Federal Employees' Compensation Act of 1916, as amended.

The amendment was agreed to.

The next amendment was, under the subhead "Veterans' Administration," on page 7, line 14, before the word "Provided," to strike out "\$135,000,000" and insert "\$165,000,000."

The amendment was agreed to.

The next amendment was, under the heading "Title II—Reductions in Appropriations and Authorizations—Executive Office of the President," on page 9, line 9, after the word "affairs," to strike out the words "placed in liquidation" and insert "shall be entirely liquidated."

The amendment was agreed to.

The next amendment was, on page 9, after line 10, to strike out:

Salaries and expenses, Office of Price Administration functions, Office of Temporary Controls, 1947, \$9,000,000.

The amendment was agreed to.

The next amendment was, on page 9, after line 13, to strike out:

Salaries and expenses, Office of War Mobilization functions, Office of Temporary Controls, 1947, \$60,000.

And insert in lieu thereof the following:

Salaries and expenses, Economic Stabilization, Office of War Mobilization and Reconversion functions, Office of Temporary Controls, 1947, \$44,000.

Salaries and expenses, guaranteed annual wage plans, Office of War Mobilization and

Reconversion functions, Office of Temporary Controls, 1946-1947, \$16,000.

The amendment was agreed to.

The next amendment was, under the subhead "Independent Offices," on page 11, after line 11, to strike out:

Military and naval compensation, Veterans' Administration, \$16,693.29.

The amendment was agreed to.

The next amendment was, under the subhead "Federal Works Agency," on page 14, line 5, after "(national defense)," to strike out "\$1,897,030" and insert "\$2,101,972."

The amendment was agreed to.

The next amendment was, on page 14, line 7, after "(national defense)", to strike out "\$278,158" and insert "\$282,481."

The amendment was agreed to.

The next amendment was, under the subhead "Treasury Department," on page 20, line 24, after the word "fund", to strike out "\$1,000,000" and insert "\$1,280,000."

The amendment was agreed to.

The next amendment was, on page 21, line 1, after "Procurement Division", to strike out "\$1,483,480.02" and insert "\$1,323,480.02."

The amendment was agreed to.

The PRESIDENT pro tempore. That completes the committee amendments. Are there any further amendments to be offered to the bill?

Mr. HAYDEN. Mr. President, on page 9, line 7, I move to strike out "\$2,400,000" and insert in lieu thereof "\$1,200,000."

The PRESIDENT pro tempore. The question is on agreeing to the amendment submitted by the Senator from Arizona.

Mr. HAYDEN. The purpose of the amendment is to restore a budget estimate, and I shall take the time to make a statement to the Senate. Perhaps the shortest way of explaining the amendment is by reading from the letter written by General Fleming, who has charge of these matters, as to what the effect of the legislation would be:

In brief, it means that the activity now carried on by the Civilian Production Administration allocating materials to veterans' housing will come to an end at the end of this month. There will not be sufficient money to carry it along any further. This is what the general says:

The most important activity of CPA, the activity requiring the bulk of the personnel, is the assistance rendered the veterans emergency housing program. In the hearings before the committee it was pointed out that the OTC carries out the following functions in connection with the housing program:

1. Administering the construction limitation order which prevents the use of critical building materials in nonhousing projects that are not essential and can be deferred.

2. Increasing the production of critical building materials through channeling raw materials and equipment to the producers of these scarce items.

3. Obtaining compliance with the regulations required to carry out the housing program.

4. Auditing production records of manufacturers who have been receiving premium payments for increased production under the

premium payment plan of the Housing Expediter.

It is obvious that the veterans' emergency housing program cannot continue without these supporting activities.

These functions that CPA has been carrying on require a large staff for the balance of this fiscal year but a very much smaller staff thereafter. The CPA does not receive any reimbursement from the Housing Expediter for performing these functions. Consequently, the reduction in funds from the \$1,200,000 rescission, which the President proposed to the Congress, to \$2,400,000 voted by the House of Representatives and carried in this report, coupled with the mandatory liquidation requirement, would necessitate a cessation of this activity in support of the housing program completely on March 31 by CPA.

This expressed intent cannot in fact be carried out. The funds that will remain available for CPA functions of OTC if the bill is passed in its present form will be so restricted that it will be necessary to send dismissal notices immediately to all CPA employees engaged in the administration of nonhousing limitation order and the other related housing activities. Accordingly, it is urgent that the mandatory liquidation proviso be removed from the bill and the rescission amount be reduced from \$2,400,000 to \$1,200,000.

That is the situation. If Senators wish to provide that there shall be no further control of material used in veterans' housing, they should vote against my amendment; because otherwise the Administration will immediately give dismissal notices to all engaged in it, and that activity will cease at the end of this month.

Mr. HILL. Mr. President, will the Senator yield?

Mr. HAYDEN. I yield.

Mr. HILL. In other words, as I understand, if the bill now before the Senate is passed without the Senator's amendment, all the Government's efforts and activities to help promote further veterans' housing will be ended. Is that correct?

Mr. HAYDEN. A key activity of the Government is allocating material to veterans' housing. If there is no allocation of materials, and no authority to do that, and no one does it, the materials will go into other types of construction, and not into veterans' housing.

Mr. HILL. The average veteran is very much limited in what he can pay for a house. As I recall the figures, the average veteran cannot afford to pay more than \$4,300 or \$4,500 for a house. If we do not adopt the Senator's amendment, then there will be no allocation of materials to the veteran and the materials will, of course, go to industrial and commercial construction, so that the industrialists, the men who want to build houses or build for commercial purposes, will buy up all the materials and there will be none for the veterans. Is not that correct?

Mr. HAYDEN. That is undoubtedly true, because the necessity for this order has been demonstrated over and over again by the number of attempts which have been made to violate it, and the necessity of prosecuting persons who are anxious to get the materials for commercial purposes.

Mr. HILL. Surely the veteran cannot compete with a person who wants to build for commercial purposes, or with an industry that wants to build for industrial purposes. Is not that true?

Mr. HAYDEN. There can be no doubt about that.

Mr. HILL. And there will be no materials for the veterans. Is not that a fact?

Mr. HAYDEN. That is correct.

Mr. HILL. So this would be the death knell to veterans' housing.

Mr. CORDON. Mr. President, does the Senator have at hand information as to the number of CPA personnel engaged in the allocation of materials for veterans' housing?

Mr. HAYDEN. I do not happen to have it at hand at the moment, but I know it is the larger part of their activities.

Mr. CORDON. May I make one further observation?

Mr. HAYDEN. Certainly.

Mr. CORDON. I am very much in sympathy with the Senator's views. I find myself in this instance not in accord with some of my own colleagues; which I regret.

Mr. HAYDEN. The Senator asked me about the number. Mr. Houston, who handled this matter, states, on page 42 of the Senate hearings, as follows:

Because our largest activity is in connection with the housing program. Our field offices are devoted almost exclusively to the veterans' housing program. If we are forced to reduce our employment to some 700 people—

That is all that will be left—

we could not handle this construction limitation order. With this severe cut in the number of people, we could not retain the offices we have in the field, and would not be able to handle the number of applications which come in, and the number of compliance cases which we have coming in.

It does not say how many are engaged in it, but they will all be gone except 700.

Mr. CORDON. Will the Senator further yield?

Mr. HAYDEN. I yield.

Mr. CORDON. Is the Senator in agreement with me in my understanding of the legal effect of what was done by committee? As I understand, the President's budget recommended that there be a rescission of \$1,200,000 of funds heretofore appropriated for CPA. The House doubled that amount and made the rescission \$2,400,000. At the same time, in addition to taking away the extra \$1,200,000 from the appropriated funds, it also added the proviso that the CPA be discontinued, and its affairs placed in liquidation not later than June 30, 1947. I ask the Senator to give me his views on the matter. As I understand, the proviso adopted by the House simply requires a discontinuance of CPA on the last day of June, and the commencement of the liquidation of the office at that time. The Senate Appropriations Committee amended the language of the House bill by providing that the CPA shall be discontinued and its affairs entirely liquidated not later than June 30, 1947.

Mr. HAYDEN. That is correct; so that the amount of money that remains available must be used to a large extent for liquidation. That being true, that is the reason why General Fleming states that he will have to proceed to liquidate immediately, and he will wind up the agency by the end of this month. There will be no more after that date.

Mr. CORDON. Then if the Senator's motion prevails and the rescission figure is reduced from \$2,400,000 to \$1,200,000, it would mean, if I understand correctly—and again I ask for the Senator's judgment—that while the rescission recommended by the President would be adopted, there would still be an obligation on CPA within the limits so set, not only to function, but also completely to conclude its operations, pay its terminal leave amounting to some \$1,400,000, and completely liquidate by June 30.

Mr. HAYDEN. That is why I had intended, if the amendment I am now offering were adopted, to move to strike out the proviso. Otherwise, the amount of money contained in the budget estimate contemplated for carrying on the work until June 30, with liquidation after that date, would no longer avail.

Mr. CORDON. Will the Senator yield further?

Mr. HAYDEN. Yes.

Mr. CORDON. I desire to observe that I am willing to go along with the Senator on either of the two roads, but not on both. I am ready to go along with him on the reduction from \$2,400,000 to \$1,200,000 and require complete liquidation by June 30, or retain the amount of \$2,400,000 and delete the requirement for complete liquidation by that date.

Mr. HAYDEN. I have made the first motion. Let us see what happens to that.

Mr. BRIDGES. Mr. President, has the Senator from Arizona completed his statement?

Mr. HAYDEN. Yes.

Mr. BRIDGES. Before the Senate votes on the question let me say that both the House and the Senate committees listened to the evidence in this case. It is not the intention of the Senate Appropriations Committee, or of the House committee, so far as I know, to interfere in any way with the duties imposed on CPA respecting veterans' housing except to the extent of saying that these agencies must be wound up at some time. We have given them a reasonable amount of money. The present activity is not provided for in the law. It comes about as the result of a directive by the Housing Expediter in which he transferred the duty to CPA. Then the President transferred CPA to the Office of Temporary Controls. So it was done by directive in the one case by the Housing Expediter and in the second case by the President. In case the agency now in charge of the work does not have sufficient money to do so, and it is necessary to continue the work afterward in the interest of an equitable administration of the rules and regulations as to veterans housing, all that would happen would be that the Housing Expediter himself would perform the duties he is now delegating to

a temporary agency. What I am seeking is a method of allowing the temporary agencies to carry on so far as they can and when they are dissolved, if it is necessary to carry on further, then to have the Housing Expediter take over the duties which he has delegated by directive to an agency.

Mr. HAYDEN. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. HAYDEN. Does the Senator deem it to be good business to delegate the authority in the first place? Was not such delegation a saving of public money? Was not the agency to which the delegation was made a proper agency to undertake the work? Was it not better for the Housing Administrator to do it in that way than to attempt to set up his own organization?

Mr. BRIDGES. I will say to the Senator from Arizona that the Civilian Production Administration set up the organization. One or the other agency had to do the work. I think it should have been done originally by the Housing Expediter himself. But it has been done by the CPA. We have no quarrel with what has been done to date, except that we believe that these temporary agencies must have some termination date, and that if it is necessary to continue any of the duties, there is no reason why the Housing Expediter, who is in that business, should not take over and carry on the duties and protect the veterans' housing.

Mr. HAYDEN. If the Senator will further yield to me, I may say that it seemed to me at the time when the Housing Expediter appeared before our committee, that he was seeking to save money for the Treasury by using the existing organization, rather than to recruit an entirely new force, inexperienced and incapable of immediate action, whereas the use of the existing force was a matter of economy so far as the Government was concerned. I cannot see how a new organization can be set up and act as efficiently as an existing organization can. Does the Senator agree with me that the effect of the cut in the amount—or the increase in the rescission and the adoption of the proviso—will be that the agency will liquidate this month?

Mr. BRIDGES. No; I would not say that the agency will liquidate this month, but I should say that it will have to carry on. The Senator said, as I recall, that the agency would carry on with 700 employees. Was that his statement?

Mr. HAYDEN. The agency said that it would reduce the number of its employees to 700.

Mr. BRIDGES. As I understand it, CPA now has 2,900 employees, of whom about 2,000 are working on this particular subject.

Mr. HAYDEN. CPA has 700 left in its entire organization.

Mr. BRIDGES. And there would be a substantial reduction in the number of employees working on this matter. But I still think the agency could carry on. If not, then they should carry on as long as they could do so effectively, and then the work would merely be trans-

ferred back to the organization which directed CPA to take it over in the first place.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from Arizona [Mr. HAYDEN] in line 7, page 9, to strike out "\$2,400,000" and insert in lieu thereof "\$1,200,000."

The amendment was rejected.

The PRESIDENT pro tempore. Are there any further amendments to be offered?

Mr. BRIDGES. Mr. President, on page 8, under the heading "Treasury Department," in line 7, appears the figure "\$3,000,000." I have received a letter from Mr. Snyder, Secretary of the Treasury, who says that from an analysis of the method of refunding tax payments and other payments, he believes that if \$520,000 were added to that figure it would result in saving several times that amount. The saving would come through reduction in interest paid on the tax refunds that would be delayed in case the personnel were cut to the bone, which would result in an immense slowing up of tax refunds. That question was not presented to the committee, but I have a letter from Mr. Snyder, which, if the Senate wishes to take the time, I should be glad to have read. I think he makes a pretty good case. I therefore offer an amendment on page 8, line 7, after the word "expenses", to strike out "\$3,000,000" and insert in lieu thereof "\$3,520,000", which is the figure asked by the Secretary of the Treasury, in order that this work may be expedited.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from New Hampshire [Mr. BRIDGES].

Mr. HAYDEN. Mr. President, I hope the amendment may be adopted. The situation is this: In January of every year, when tax deductions have been made by various corporations from their pay rolls, they discover that they have paid into the Treasury more money than is required, so they immediately apply early in the year for refunds of such taxes, to which they are entitled. From the 15th of March on, if the refunds are not paid, they bear interest at 6 percent. One can readily see that with the billions of dollars involved in tax refunds, it does not take long to eat up a large sum of money. So I am in entire accord with the Senator from New Hampshire that this amendment would effect a material saving to the taxpayers, because it takes just as long to write the checks and set-

tle the refunds a year from now as it would to do it now. In the meantime we should be paying interest at 6 percent.

The PRESIDENT pro tempore. The question is on agreeing to the amendment offered by the Senator from New Hampshire.

The amendment was agreed to.

Mr. BRIDGES. Mr. President, I ask unanimous consent to have printed in the RECORD at this point the letter written by the Secretary of the Treasury in justification of the amendment.

There being no objection, the letter was ordered to be printed in the RECORD, as follows:

THE SECRETARY OF THE TREASURY,
Washington, March 4, 1947.

Hon. STYLES BRIDGES,
Chairman, Senate Committee on Appropriations, United States Senate,
Washington, D. C.

MY DEAR MR. CHAIRMAN: On January 24 President Truman sent to the Speaker of the House a supplemental estimate of appropriation of \$3,520,100 to enable the Treasury Department's Division of Disbursement to continue its activities during the remainder of the current fiscal year. This amount is exclusive of \$762,900 required for increases in pay of employees under Public Law 390, Seventy-ninth Congress.

The House Appropriations Committee reduced the amount requested to \$3,000,000. This item appears on page 8, line 7, of H. R. 1968, as introduced in the Senate on February 28.

The Treasury did not appeal this reduction to your committee until a careful study could be made of the effect of the reduction on payments to Government beneficiaries, claimants, and public creditors, and what steps could be taken to adjust administrative machinery to meet the problem. I have just received a report from the Fiscal Assistant Secretary of the Treasury which causes me great concern and which I feel should be brought to your attention. Apparently, on the basis of House Report No. 36, page 4, the House Appropriations Committee's action was predicated upon the rate of expenditures during the first 6 months of the year and continuing during the last 6 months. This would have been a proper basis of computation except for the fact that refunds of excess withholdings of pay by employers for income taxes are made by the Treasury almost entirely between January 1 and June 30.

During the past couple of years the Treasury has made a special effort to speed up its machinery for making refunds of withheld taxes with substantial savings in interest paid on such refunds. As you know, the Treasury is required by law to pay interest at the rate of 6 percent per annum from March 15 on all claims which are not paid prior to April 16. The savings in interest by speeding up the refunding operations, covering taxes for the calendar years 1943, 1944, and 1945, are indicated below:

	1943	1944	1945
Total number of individual income-tax returns filed.....	43,650,000	46,000,000	47,000,000
Number of refunds paid.....	16,000,000	22,000,000	30,250,000
Amount of refunds paid.....	\$587,000,000	\$1,000,000,000	\$1,400,000,000
Time used to complete refunds from Mar. 15.....	1 year	7 months	3½ months
Interest paid on refunds.....	\$22,000,000	\$17,000,000	\$4,600,000

It will be noted that for the calendar year 1943 the Treasury made 16,000,000 tax refunds, amounting to \$587,000,000. It required a year from March 15 to complete these payments, at an interest cost of \$22,000,000. For the following year, 1944, the number of refunds increased to 22,000,000 and the amount to \$1,000,000,000. It took 7 months to complete these payments, at an interest cost of \$17,-

000,000. For 1945 the number of refunds paid increased to 30,250,000 and the amount to \$1,400,000,000. The time used to complete these refunds was reduced to 3½ months and the interest cost was reduced to \$4,600,000. In other words, while the tax refunds for the calendar year 1945 (paid in the fiscal year 1946) were \$813,000,000 more than for 1943, the interest paid on such refunds was \$17,-

400,000 less than the amount paid on the 1943 returns. This saving in interest was accomplished by expediting the payment of the tax refunds.

At the present time the collectors of internal revenue are busily engaged in the scheduling for payment by the Division of Disbursement of tax-refund claims relating to the calendar year 1946. It is estimated that there will be 30,500,000 such claims, involving the total sum of \$1,300,000,000. The Treasury's plans were to complete these payments before June 30. Unless the Treasury can carry out these plans, there will be a loss to the Government in interest running somewhere between five and ten millions of dollars.

Unless the appropriation for the Division of Disbursement, appearing on page 8, line 7, of H. R. 1968 is increased to \$3,520,000 (assuming also that the Congress will appropriate \$762,900 in the current fiscal year to cover the pay increases under Public Law 390), it will be necessary for the Treasury immediately to begin to reduce the personnel in the Division of Disbursement. Since it would not be feasible to postpone payments to veterans, social-security benefits, pensions, pay rolls, purchase invoices, etc., it will be necessary for the Treasury to defer payment of a large number of tax-refund claims until the 1948 appropriation becomes available on July 1, 1947.

Before taking this action, in view of the serious consequences, I thought it advisable to acquaint you with the situation. It seems to me that there are three things which you may wish to consider (1) the substantial loss to the Government of somewhere between five and ten million dollars on account of increased interest charges; (2) the public dissatisfaction which will come through any delay in payment of refunds due taxpayers, and (3) the increased administrative expenses which inevitably will result through increased correspondence with persons who will be affected by the delayed payments. In connection with the last item you will also want to keep in mind that, while there will be a loss to the Government on account of interest, the withholding of the \$520,000 of additional funds needed by the Division of Disbursement will not ultimately result in a saving of administrative expenses for the reason that the refund claims which are not paid this year will have to be paid next year.

In view of the foregoing, I sincerely hope that you may see your way clear to offer an amendment to H. R. 1968 increasing the appropriation for the Division of Disbursement appearing on line 7, page 8, from \$3,000,000 to \$3,520,000.

If there is any further information that the Department can furnish you I would greatly appreciate it if you would call me.

Very truly yours,

JOHN W. SNYDER,
Secretary of the Treasury.

The PRESIDENT pro tempore. The bill is before the Senate and open to amendment. If there be no further amendments to be proposed, the question is on the engrossment of the amendments and the third reading of the bill.

The amendments were ordered to be engrossed, and the bill to be read a third time.

The bill (H. R. 1968) was read the third time and passed.

Mr. BRIDGES. Mr. President, I move that the Senate insist upon its amendments, request a conference with the House of Representatives thereon, and that the Chair appoint the conferees on the part of the Senate.

The motion was agreed to; and the President pro tempore appointed Mr. BRIDGES, Mr. BROOKS, Mr. GURNEY, Mr.

BALL, Mr. McKELLAR, Mr. HAYDEN, and Mr. TYDINGS conferees on the part of the Senate.

THE PRESIDENTIAL TERM

The Senate resumed the consideration of the joint resolution (H. J. Res. 27), proposing an amendment to the Constitution of the United States relating to the terms of office of the President.

Mr. WHITE. Mr. President, I inquire of the Senator from West Virginia [Mr. REVERCOMB] whether he is ready to proceed this evening.

Mr. REVERCOMB. Mr. President, I understand that we shall not be able to conclude this subject tonight. I prefer to proceed when the Senate next meets.

MASS CERTIFICATION OF DRUGS CONTAINING STREPTOMYCIN

Mr. WHITE. Mr. President, I ask unanimous consent that the unfinished business be temporarily laid aside and that the Senate proceed to the consideration of House bill 2045, which has been messaged over from the House, and I believe it is on the desk.

The PRESIDENT pro tempore. The bill will be stated by title for the information of the Senate.

The bill (H. R. 2045) to amend the Federal Food, Drug, and Cosmetic Act of June 25, 1938, as amended, by providing for the certification of batches of drugs composed wholly or partly of any kind of streptomycin, or any derivative thereof, and for other purposes, was read twice by its title.

The PRESIDENT pro tempore. Is there objection to the request of the Senator from Maine?

There being no objection, the Senate proceeded to consider the bill.

Mr. GEORGE. Mr. President, I should like to have an explanation of the bill.

Mr. WHITE. I shall make a very brief explanation of the bill, if that will satisfy Senators.

The bill proposes to amend the Federal Food, Drug, and Cosmetic Act of June 25, 1938, by providing for the certification of batches of drugs composed wholly or partly of any kind of streptomycin, or any derivative thereof.

The bill was considered by the House Committee on Interstate Commerce, approved, and passed by the House. It is identical in its substantial provisions with a bill reported by the Senate Committee on Interstate and Foreign Commerce, Senate bill 445. It seems to provide a larger degree of control in the food and drug officials of the Government than exists under the present law with respect to this particular drug and its derivatives.

Mr. GEORGE. Mr. President, I have no objection to the bill. I was under the impression that it was a bill relating to taxes.

The PRESIDENT pro tempore. The question is on the third reading of the bill.

The bill was ordered to a third reading, read the third time, and passed.

The PRESIDENT pro tempore. Without objection, Senate bill 445 is indefinitely postponed.

EXECUTIVE SESSION

Mr. WHITE. I move that the Senate proceed to the consideration of executive business.

The motion was agreed to; and the Senate proceeded to the consideration of executive business.

EXECUTIVE MESSAGES REFERRED

The PRESIDENT pro tempore laid before the Senate messages from the President of the United States submitting sundry nominations, which were referred to the Committee on Armed Services.

(For nominations this day received, see the end of Senate proceedings.)

The PRESIDENT pro tempore. If there be no reports of committees, the clerk will proceed to state the nominations on the Executive Calendar.

DIPLOMATIC AND FOREIGN SERVICE—NOMINATION PASSED OVER

The legislative clerk read the nomination of Herman B. Baruch to be Ambassador Extraordinary and Plenipotentiary of the United States of America to the Netherlands, which nomination had previously been passed over.

Mr. WHITE. Mr. President, I ask that this nomination again be passed over.

The PRESIDENT pro tempore. Without objection, the nomination will be passed over.

TENNESSEE VALLEY AUTHORITY—NOMINATION REPORTED ADVERSELY

The executive clerk read the nomination of Gordon R. Clapp to be a member of the Board of Directors of the Tennessee Valley Authority.

Mr. WHITE. Mr. President, I ask that this nomination be passed over.

The PRESIDENT pro tempore. Without objection, the nomination will be passed over.

Mr. HILL. Mr. President, will the Senator yield?

Mr. WHITE. I yield.

Mr. HILL. I wonder if the Senator can give us any idea as to when it may be his disposition to consider the nomination of Mr. Clapp.

Mr. WHITE. So far as I am personally concerned, it would be agreeable at any time. I understand that there is some conflict over the nomination, and I have been requested to ask that it be passed over.

Mr. HILL. The Senator realizes that there will be some debate on this nomination. Ordinarily if there is to be controversy or debate over a nomination, we receive some notice as to when it is to be considered.

Mr. WHITE. If it is not passed over, I shall be compelled to ask for a quorum.

Mr. HILL. I am not asking for action now. I did not mean to imply that at all. When the leaders decide to take up this nomination, will it be possible to give us a little notice?

Mr. WHITE. I shall let the Senator know as soon as I know. I hope that may be very shortly.

Mr. HILL. I thank the Senator.

DIPLOMATIC AND FOREIGN SERVICE—LEWIS W. DOUGLAS

The legislative clerk read the nomination of Lewis W. Douglas to be Am-

DIGEST OF
CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Legislative Reports and Service Section
(For Department staff only)

Issued March 7, 1947
For actions of March 6, 1947
80th-1st, No. 43

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HIGHLIGHTS: House passed measure restoring name of Hoover Dam. House sent urgent deficiency bill to conference. Rep. Kefauver spoke for his question-period resolution. House committee reported bill limiting time for GAO settlement of certifying-officers' accounts. Rep. Wolcott introduced measure to continue sugar controls. Rep. Engel urged more sugar for home canning and that controls be ended as soon as possible.

NOTE: The Department has been advised that the House hearings on the 1948 agricultural appropriation bill are to begin March 17.

HOUSE

1. RECLAMATION; ELECTRIFICATION. Passed without amendment H. J. Res. 140, to restore the name of the Hoover Dam (pp. 1788-99).
2. APPROPRIATIONS. Reps. Taber, Wigglesworth, Angell, Stefan; Case of S. D., Keefe, Cannon, Kerr, and Mahon were appointed conferees on H. R. 1968, the urgent deficiency appropriation bill (p. 1799). Senate conferees were appointed Mar. 5.
3. LEGISLATIVE-EXECUTIVE RELATIONSHIPS. Rep. Kefauver, Tenn., spoke in favor of his resolution providing for a question period for executive officials (pp. 1808-12).
4. UNESCO. Rep. Merrow, N. H., reported on the organization and activities of the United Nations Educational, Scientific, and Cultural Organization (pp. 1815-21).
5. ACCOUNTING. The Expenditures in the Executive Departments Committee reported without amendment H. R. 2076, which provides that, effective 3 years after enactment, the monthly and quarterly account of any disbursing, accountable, or certifying officer shall be settled by GAO within a period of 3 years from date of receipt of the complete account by GAO (H. Rept. 92) (p. 1823).
6. TRANSPORTATION. The Merchant Marine and Fisheries Committee reported with amendments H. R. 1240, to provide for suspension of navigation and vessel-inspection laws as applied to vessels operated by the War Department, upon termination of title V of the Second War Powers Act (H. Rept. 94) (p. 1823).
7. RECLAMATION. The Public Lands Committee reported without amendment H. R. 804, authorizing reduction of certain accrued interest charges payable by the Farmers' Irrigation District, North Platte Project (H. Rept. 102) (p. 1823).
8. PRICE SUPPORTS. Received from the Mont. Legislature a memorial urging immediate

continuation of the Steagall amendment beyond Dec. 31, 1948 (p. 1824).

9. ADJOURNED until Mon., Mar. 10 (p. 1822). Majority Leader Halleck announced that the Treasury-Post Office appropriation bill will probably be reported today, debated Mon. and Tues., and disposed of Tues. (p. 1788).

SENATE

NOT IN SESSION. Next meeting Fri., Mar. 7.

BILLS INTRODUCED

10. SUGAR. H.J.Res. 146, by Rep. Wolcott, Mich., to extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar. To Banking and Currency Committee. (p. 1824.)
11. PRICES. H.Res. 133, by Rep. Sabath, Ill., to investigate the cause of high prices. To Rules Committee. (p. 1824.) Remarks of author (p. A927):
12. SOCIAL SECURITY; FARM LOANS. H.R. 2415, by Rep. Price, Fla., to amend the Farm Credit Act and the Federal Farm Loan Act, so that after June 30, 1947, employment by production credit associations and national farm loan associations will be covered by the old-age and survivors insurance benefit provisions of the Social Security Act. To Agriculture Committee. (p. 1824.)
13. TRANSPORTATION. H.R. 2414, by Rep. Price, Fla., to provide all interstate commerce to be operated on standard time. To Interstate and Foreign Commerce Committee. (p. 1824.)
14. PERSONNEL. H.R. 2407, by Rep. Miller, Calif., to amend the Civil Service Retirement Act. To Post Office and Civil Service Committee. (p. 1824.)
15. EDUCATION; H.R. 2406, by Rep. Klein, N.Y., to promote the general welfare through the appropriation of funds to assist the States and Territories in providing more effective programs of public kindergarten or kindergarten and nursery-school education. To Education and Labor Committee. (p. 1824.)
16. WOOL. H.R. 2401, by Rep. Herter, Mass., to encourage the production of sheep, to protect the domestic price for wool, to provide for the national defense. To Agriculture Committee. (p. 1823.)

ITEMS IN APPENDIX

17. SUGAR. Extension of remarks of Rep. Engel, Mich., urging that more sugar be made available for home canning and baking, claiming that recent quota announcements do not indicate that there will be sufficient canning sugar to prevent loss of fruits, and advocating the end of controls as soon as an adequate supply is available at fair prices (p. A915).
Rep. Weichel, Ohio, inserted an Ohio citizens petition favoring the removal of sugar controls (pp. A931-2).
18. SCHOOL-LUNCH PROGRAM. Speech in the House by Rep. Davis, Ga., urging that additional funds be made available to continue this program (pp. A916-7).
Extension of remarks of Rep. Johnson, Okla., favoring additional appropriations for the school-lunch program and including letters from Governor Turner (Okla.) pointing out the need for the program in his State (pp. A928-9).

The gentleman from California [Mr. JOHNSON] spoke of two or three others in his remarks. I think one of the outstanding things in Mr. Hoover's administration was his wisdom in the appointment of persons to public positions. I am thinking of his wisdom in the appointment of his Postmaster General, Hon. Walter F. Brown, a man who acted in a political position in the Cabinet without going across the country in order to promote partisan advantage; a man who was on the job as a Cabinet member; a man who had more on the shelf and less on the display counter than any Postmaster General this country has ever had. Postmaster General Walter F. Brown did the work of a cabinet member without making a fuss about it.

Another reason for honoring the man, or any ex-President today is perhaps the fact that so many would-be writers after a President is gone, as the gentleman on the other side of the aisle mentioned, are given to libeling our Presidents. They libel them after they are gone and have no opportunity to defend themselves—George Washington, Abraham Lincoln, Andrew Johnson, Grover Cleveland, Woodrow Wilson, Warren Harding—most of our Presidents have been libeled after they were gone and not here to defend themselves. Their executors cannot sue for libel. The libeler to that extent is immune. I understand Mr. Coolidge was the only ex-President who has been libeled by these mental sadists.

Mr. BENDER. Will my able colleague yield.

Mr. RAMEY. I yield.

Mr. BENDER. The statement of my good friend the gentleman from Ohio [Mr. RAMEY] is most welcome not only because of the tribute paid to President Hoover but also because of his gracious remarks regarding a great Ohioan, Walter F. Brown. I well remember as a boy my great admiration for Mr. Brown when he was leading the Progressives of 1912 in the Theodore Roosevelt campaign.

Mr. RAMEY. I thank the gentleman for his gracious tribute to the great Ohioan, the great American, that man who has worked so much and talked so seldom, the Honorable Walter F. Brown.

On February 12 at the city of Toledo on the occasion of the Lincoln Day banquet at the Commodore Perry Hotel Walter F. Brown was the guest of honor.

At the request of Hon. Harry N. Hansen he was presented to his home people by Hon. Frank A. Wiley, the presiding judge of the municipal court of Toledo. The demonstration of our citizens not only in standing applause but in their love for this genuine man was the most outstanding we had ever witnessed.

Mr. WELCH. Mr. Chairman, I have no further requests for time.

The Clerk read as follows:

Resolved, etc. That the name of Hoover Dam is hereby restored to the dam on the Colorado River in Black Canyon constructed under the authority of the Boulder Canyon Project Act, approved December 21, 1928 (45 Stat. 1057), and referred to as Hoover Dam in the act approved February 14, 1931 (46 Stat. 1146); in the act approved April 22, 1932 (47 Stat. 118); in the act approved July 1, 1932 (47 Stat. 535); in the act approved July 21, 1932 (47 Stat. 717); and in the act ap-

proved February 17, 1933 (47 Stat. 845). Any law, regulation, document, or record of the United States in which such dam is designated or referred to under the name of Boulder Dam shall be held to refer to such dam under and by the name of Hoover Dam.

The CHAIRMAN. Under the rule, the Committee rises.

Accordingly the Committee rose; and the Speaker having resumed the chair, Mr. HERTER, Chairman of the Committee of the Whole House on the State of the Union, reported that that Committee having had under consideration House Joint Resolution 140, to restore the name of Hoover Dam, pursuant to House Resolution 132, he reported the same back to the House.

The SPEAKER. Under the rule, the previous question is ordered.

The resolution was ordered to be engrossed and read a third time, was read the third time, and passed, and a motion to reconsider was laid on the table.

FIRST DEFICIENCY APPROPRIATION BILL SENT TO CONFERENCE

Mr. TABER. Mr. Speaker, I ask unanimous consent to take from the Speaker's table the bill (H. R. 1968) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1947, and for other purposes, with Senate amendments thereto, disagree to the Senate amendments, and agree to the conference asked by the Senate.

The SPEAKER. Is there objection to the request of the gentleman from New York? [After a pause.] The Chair hears none and appoints the following conferees: Messrs. TABER, WIGGLESWORTH, ANGELL, STEFAN, CASE of South Dakota, KEEFE, CANNON, KERR, and MAHON.

PERMISSION TO ADDRESS THE HOUSE

Mr. KARSTEN of Missouri. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

THE LATE HON. JOHN J. COCHRAN

Mr. KARSTEN of Missouri. Mr. Speaker, it is my sad duty to announce the death of John J. Cochran, a former Member of this body. It was my privilege to be associated with him as his secretary for many years. I came to know him as a son would know his father, and his passing is a great personal loss to me.

Crippling illness caused the voluntary retirement of Mr. Cochran in January. He was one of the most outstanding men ever to serve in this House. Measured by any yardstick, he was great. Some men have had great moral courage, some great physical courage, some great hearts, and some great minds. Jack Cochran had all of them. It is not often that a man in public life so conducts himself that even those whose cherished plans or schemes he had to oppose respected and loved him. If Jack Cochran had a real enemy no one ever heard of him. A few years ago, when physical adversity overtook him, Republicans, as well as Democrats, bowed their heads in sorrow. From the White House to the

poorest home in his beloved Thirteenth District prayers went up for the restoration of his health. Those prayers were answered. Overcoming perhaps the greatest physical handicaps, he carried on his work here from a wheel chair. In this well he served as an inspiration to everyone with whom he came in contact.

Thousands, through the years, went to him with their problems. Some perhaps belonged to a group with powerful influence, others perhaps important in one way or another or perhaps it would be the mother of a boy who had not been heard from since he followed the colors into some bomb-racked danger spot in the war. Perhaps it would be a poor colored man or some old woman, doubtful about their rights under the old-age assistance or social-security plan. Perhaps to their neighbors they were just a nobody, but great body or nobody, when they knocked at Jack Cochran's door they did not knock in vain. When they knocked he did not ask whether they lived in his district. He did not ask what ticket they voted or intended to vote. He did not ask their color, creed, or calling. He only asked, "What can I do for you?" That was his philosophy, help thy fellow man.

I know the Members of this House join me in mourning the death of this great statesman and expressing heartfelt sympathy to the members of his family.

Mr. CANNON. Mr. Speaker, in all the long line of able men who have served in this House from his native State, none has served more conscientiously, courageously, and capably than Jack Cochran. And none has enjoyed to a larger extent the confidence and affectionate regard of his colleagues on this floor.

Few Members of the Congress have exerted so wide an influence or have left their impress so indelibly on national legislation. He had the advantage of a long and privileged apprenticeship under such men as Stone and Hawes and came to the House a veteran in legislative experience and parliamentary procedure. He was early recognized as one of the effective Members of the House and his grasp of public questions, his sound judgment, his high sense of responsibility and his personal popularity soon established him as one of the substantial Members to be consulted when important decisions were to be made.

He had an indefatigable capacity for hard work, a genius for getting things done, and a passion for economy and business efficiency. It would be difficult to estimate the amounts he saved the taxpayers of the Nation in the 22 years of his service here, especially during his chairmanships of the Committee on Accounts and the Committee on Expenditures in the Executive Departments. Unquestionably it would aggregate millions of dollars. No bill to pay a claim against the Government was ever called up in the committee or the House without his personal scrutiny and without being stripped of every dollar not fully warranted by the law and the circumstances.

He never hesitated to say "No." He stood foursquare and voted against both friends and constituents when convinced of the merit of his position. His disin-

interested devotion to his convictions was never better demonstrated than in his vote on the reapportionment of congressional districts. I remember his saying here on the floor: "No Member of this body could be more vitally affected by reapportionment than I will be. When it becomes effective my service here will terminate." The effect was to throw him into a district with six to eight thousand majority against him. But to the astonishment of the State—and I think of Jack himself—the district, with an overwhelming majority against him, returned him to Congress and continued to return him to Congress until his retirement last December. He could again have been elected to Congress had not his high sense of duty intervened. All that was necessary was for him to announce his candidacy and he would have been returned as a Member of the Eightieth Congress. But feeling that his health would not permit him to devote to the office the energy and labor he thought the position demanded, he declined to become a candidate. In both instances he met the test with an unselfish fortitude that was characteristic of his entire public service.

Jack Cochran was fundamentally a liberal. He sympathized with the underdog. He was a progressive and a Democrat in every sense of the word and was the key figure in many a congressional battle for economic and social reform. I remember hearing him enunciate his political philosophy during his hectic campaign for the United States Senate—in which he came within a few thousands of votes of victory—"the Government is not an end in itself but a means to an end, an instrumentality for achieving social justice. The Government is made for the people—not the people for the Government." Or, as he expressed it a little more tersely in the language of the street, "Help the other fellow. Give the other guy a break." With that mission in life, Jack Cochran spent the vital years of his life doing things for other people. He never wanted anything here in the House, or the party or the organization, for himself. He was always working to get it for his friends. He was a living exemplar and practitioner of the Golden Rule, and I want to here make acknowledgment of countless kindnesses which I have never been able to repay—and which I now can never repay.

When Jack Cochran relinquished his seat in this body he did not relinquish his place in the hearts of his friends. And he can never relinquish his place in the esteem and affection and admiration of his colleagues who have had the privilege of association with him here through these eventful years of his service to his State and his country.

The SPEAKER. The Chair recognizes the gentleman from Texas [Mr. RAYBURN].

Mr. RAYBURN. Mr. Speaker, like all who knew Jack Cochran, I was saddened a few minutes ago when I heard of his passing. I have served in this House, I guess, with 2,000 men and women since I first came here. Jack Cochran was probably the best Congressman I have ever served with. He knew more about

more things that came before the House of Representatives than any other man I have ever known, with the possible exception of James R. Mann, of Illinois, who was the minority leader of this House at one time since I came here.

Jack Cochran was a gentle soul; he was a noble, good man; he was one of those who gave love and attracted it from other people. You were not just Jack Cochran's friend. You had a deep devotion for him—those who were associated with him as closely as I was.

With his constituents and those others who knew and loved him, I shall miss him terribly and always.

The SPEAKER. The Chair recognizes the gentleman from Missouri [Mr. BAKEWELL].

Mr. BAKEWELL. Mr. Speaker, it is my privilege to serve a district in St. Louis immediately adjoining that of the late beloved John Cochran. I know how he was loved by all of St. Louis. I came to Congress on the same day the late John Cochran retired from the Congress, and, though he was of different political faith than myself, I can honestly state that the highest aspiration I could have in this Congress is in some small way to endeavor to emulate the pattern of true public service which he always rendered.

St. Louis has lost a devoted and beloved son, and the Nation suffers an irreparable loss of a distinguished public servant.

The SPEAKER. The Chair recognizes the gentleman from Massachusetts [Mr. McCORMACK].

Mr. McCORMACK. Mr. Speaker, the death of our late beloved friend, John Cochran, grieves each and every one of us who knew him, and particularly those of us who served with him. John Cochran was a true friend. Toward those that he entertained friendship it meant what real friendship stands for: loyalty, and fidelity to his friends.

I agree with our distinguished colleague the gentleman from Texas [Mr. RAYBURN] that John Cochran was the most outstanding Member of Congress that I have served with, and our friend, the gentleman from Texas, has served in this body many more years than have I. Over and above that, he was one of the most courageous men that I have ever met. Those of us who served with him can see him now in the well in his chair, with both of his legs amputated. We know the serious condition he suffered prior to the surgical operation that resulted in the amputation of his limbs. He had a bad heart condition. His life was despaired of for a long period of time. We all know of the indomitable courage of Jack Cochran. Jack Cochran was a religious man. He had that refined, direct contact that each of us understood and appreciated and evaluated in its proper light. But, he was truly a religious man, a man of deep religious convictions, and a man who by every action and expression showed the influence of the deep religious convictions he entertained.

His passing is an irreparable loss, not only to St. Louis and the State of Missouri, but to the Nation as a whole, and especially to those of us who had the

privilege of knowing John Cochran. He leaves a memory that will always remain with each and every one of us.

The SPEAKER. The Chair recognizes the gentleman from New Jersey [Mr. SUNDSTROM].

Mr. SUNDSTROM. Mr. Speaker, it is with extreme regret that I just learned of the death of our friend and former colleague, the Honorable John J. Cochran. I had the pleasure to serve as the ranking minority member on the Committee on Accounts with Jack Cochran. As chairman of that committee he always showed fairness to the minority. He was a man of integrity and a man who kept his word. Despite all his physical handicaps, he had cheerfulness and abounding energy, and even in later years when he was handicapped he carried on diligently and courageously.

To his family I know I express the views of all of us when I extend our sincere sympathies.

The SPEAKER. The Chair recognizes the gentleman from Mississippi [Mr. WHITTINGTON].

Mr. WHITTINGTON. Mr. Speaker, for 2 and 20 years I served in this House with Jack Cochran. We both entered the Sixty-ninth Congress. Through the years, he and his wife and Mrs. Whittington and I were close personal friends. For years we served together on the Committee on Expenditures in the Executive Departments. He attended all committee hearings, and he was not satisfied until he mastered all bills reported by the committee. He had had previous experience as a clerk to a distinguished Senator and as a clerk to an able Representative. He was thoroughly familiar with the executive departments of the Government. I never knew a more efficient Member of Congress or a more capable member of a committee. If there is one assignment where Members come to know one another better and where Members can take the true measure of other Members better, it is when they are members of the same committee.

Jack Cochran was jealous of the interests of the district he represented and faithful in promoting the progress of the people who sent him to the House. At the same time he recognized his responsibility to the Nation and was faithful in the discharge of his obligations to the country. He watched the Private and the Consent Calendars, as well as the other calendars of the House. He saved the Federal Treasury millions and millions of dollars. I often called my devoted friend the watchdog of the Federal Treasury.

Jack Cochran possessed all of the qualifications of a faithful public servant. He was industrious. In his latter years he was physically handicapped, but he was still the indefatigable worker that he was when he entered Congress. I have often marveled at both his industry and accomplishments, handicapped physically as he was in his last years. He was not only familiar with legislation pending before the committees on which he served, but he was probably more familiar with general pending legislation than any other Member of the body. I never knew a more industrious man.

80TH CONGRESS
1ST SESSION

H. R. 1968

IN THE HOUSE OF REPRESENTATIVES

MARCH 6, 1947

Ordered to be printed with the amendments of the Senate numbered

AN ACT

Making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1947, and for other purposes.

- 1 *Be it enacted by the Senate and House of Representa-*
2 *tives of the United States of America in Congress assembled,*
3 That the following sums are appropriated, out of any money
4 in the Treasury not otherwise appropriated, to supply urgent
5 deficiencies in certain appropriations for the fiscal year
6 ending June 30, 1947, and for other purposes, namely:

TITLE I—GENERAL APPROPRIATIONS

LEGISLATIVE

(1) SENATE

(2) *For payment to Margaret S. Andrews, widow of Charles O. Andrews, late a Senator from the State of Florida, \$10,000.*

(3) *For payment to Edith Pou Bailey, widow of Josiah W. Bailey, late a Senator from the State of North Carolina, \$10,000.*

(4) *For additional clerical assistance in the Disbursing Office at the rate of \$3,000 per annum from March 1 to June 30, 1947, fiscal year 1947, \$1,000.*

(5) *The sum of \$50,000 made available out of the contingent fund of the Senate by the Legislative Branch Appropriation Act, 1947, for the purpose of enabling the Senate Committee on Appropriations to employ expert and clerical assistance, is hereby made available for the employment of a consultant at not to exceed \$35 per day when actually employed, including all pay increases authorized by the Federal Employees Pay Act of 1945, as amended.*

(6) *For payment to Henry V. DeMott for services rendered the special committee investigating the production, transportation, and marketing of wool during the months of October and December 1939, and January and March 1940, one*

1 month at the rate of \$3,300 per annum, fiscal year 1940,
2 \$275.

3 (7) For an amount necessary to increase the salary of one
4 clerk under the Office of the Sergeant at Arms from \$2,500
5 to \$3,300, effective March 1, 1947, fiscal year 1947, \$267,
6 and the Legislative Branch Appropriation Act for the fiscal
7 year 1947 hereby is amended accordingly.

8 (8) For the employment of six additional telephone operators
9 from March 1 to June 30, 1947, at \$1,800 each per annum,
10 fiscal year 1947, \$3,600.

11 (9) For an additional amount for rent of warehouse for
12 storage of public documents, fiscal year 1947, \$2,174.40.

13 HOUSE OF REPRESENTATIVES

14 For payment to the widow of William J. Gallagher,
15 late a Representative from the State of Minnesota, \$10,000.

16 For payment to the widow of William B. Barry, late
17 a Representative from the State of New York, \$10,000.

18 For payment to the widow of Robert K. Henry, late
19 a Representative from the State of Wisconsin, \$10,000.

20 (10) EDUCATION OF SENATE AND HOUSE PAGES

21 For reimbursement to the District of Columbia for edu-
22 cation of congressional pages and pages of the Supreme
23 Court, from January 2, 1947, pursuant to the provisions
24 of section 243 of the Act of Congress entitled "An Act to

1 provide for increased efficiency in the Legislative Branch of
2 the Government", approved August 2, 1946, fiscal year
3 1947, \$10,600, which amount shall be credited to the appro-
4 priation for "General supervision and instruction, public
5 schools, District of Columbia, 1947", and the Board of
6 Education of the District of Columbia is hereby authorized
7 to employ such personnel for the education of pages as may
8 be required and to pay compensation for such services from
9 January 2, 1947, in accordance with such rates of compen-
10 sation as the Board of Education may prescribe: Provided,
11 That the facilities provided for the education of such pages
12 shall be available from and after January 2, 1947, also
13 for the education of such other minors who are congressional
14 employees as may be certified by the Secretary of the Senate
15 and the Clerk of the House of Representatives to receive
16 such education.

17 (11)JOINT COMMITTEE ON ATOMIC ENERGY

18 For salaries and expenses of the Joint Committee on
19 Atomic Energy created by section 15 of the Atomic Energy
20 Act of 1946, including compensation of consultants at such
21 rates as may be fixed by the committee but not exceeding \$35
22 gross each per day while actually employed, fiscal year 1947,

1 \$50,000, to be disbursed by the Secretary of the Senate on
2 vouchers approved by the chairman; and the Secretary of the
3 Senate hereby is authorized to advance to the committee on
4 the receipt of the chairman such sums within the appropria-
5 tion as may be necessary from time to time to defray inci-
6 dental expenses, to be accounted for in the same manner as
7 provided by law for Senate committees.

8 (12) COMMITTEE ON FEDERAL EXPENDITURES

9 For an amount which is hereby authorized to enable the
10 Joint Committee on Reduction of Nonessential Federal Ex-
11 penditures to carry out the duties imposed upon it by section
12 601 of the Revenue Act of 1941 (55 Stat. 726), to remain
13 available during the existence of the committee, \$7,500, to
14 be disbursed by the Secretary of the Senate.

15 (13) ARCHITECT OF THE CAPITOL

16 Senate Office Building: For an additional amount,
17 fiscal year 1947, for maintenance, including the objects
18 specified under this head in the Legislative Branch Appro-
19 priation Act, 1947, \$32,000, to be expended by the Archi-
20 tect of the Capitol for structural and mechanical alterations
21 and improvements to provide accommodations in the Senate
22 Office Building for the Senate folding room, including all
23 necessary incidental expenses in connection therewith.

1 EXECUTIVE OFFICE OF THE PRESIDENT

2 OFFICE FOR EMERGENCY MANAGEMENT

3 OFFICE OF DEFENSE TRANSPORTATION

4 Salaries and expenses: For an additional amount, fiscal
5 year 1947, for "Salaries and expenses"; ~~(14)~~\$130,000
6 \$143,000.

7 ~~(15)~~OFFICE OF TEMPORARY CONTROLS

8 *Salaries and expenses: For an additional amount, fiscal*
9 *year 1947, for carrying out the functions of the Office*
10 *of Price Administration transferred by Executive Order*
11 *9809 of December 12, 1946, to the Office of Temporary*
12 *Controls, \$7,991,815, which amount shall be merged with*
13 *the funds transferred, pursuant to said Executive order, from*
14 *the appropriation "Salaries and expenses", Office of Price*
15 *Administration, in the Third Deficiency Appropriation Act,*
16 *1946. Funds transferred to the Office of Temporary Con-*
17 *trols pursuant to Executive Order 9809 in connection with*
18 *the transfer of functions by said Executive order shall be*
19 *available for the payment of claims pursuant to part 2 of*
20 *the Federal Tort Claims Act (Public Law 601, Seventy-*
21 *ninth Congress) arising, respectively, from the activity*
22 *concerned: Provided, That it is the intent of the Congress*
23 *that the funds heretofore and herein appropriated shall*

1 *include all expenses incident to the closing and liquida-*
 2 *tion of the Office of Price Administration and the Office*
 3 *of Temporary Controls by June 30, 1947.*

4 INDEPENDENT OFFICES

5 (16) *FEDERAL SECURITY AGENCY*

6 *BUREAU OF EMPLOYEES' COMPENSATION*

7 *Employees' compensation fund: For an additional*
 8 *amount, fiscal year 1947, for "Employees' compensation*
 9 *fund", \$3,474,000, to be expended in accordance with the*
 10 *provisions of Public Law Numbered 650, Seventy-ninth*
 11 *Congress, second session, and the Federal Employees' Com-*
 12 *pensation Act of 1916, as amended.*

13 'VETERANS' ADMINISTRATION

14 *Administration, medical, hospital, and domiciliary serv-*
 15 *ices: For an additional amount, fiscal year 1947, for "Ad*
 16 *ministration, medical, hospital, and domiciliary services",*
 17 *(17) \$135,000,000 \$165,000,000: Provided, That the*
 18 *amount available to repair, alter, improve, or provide facilities*
 19 *in the several hospitals and homes under the jurisdiction of*
 20 *the Veterans' Administration is increased to \$5,500,000;*
 21 *and the limitation on travel expenses imposed by section 105*
 22 *of the Independent Offices Appropriation Act, 1947, is in-*
 23 *creased to \$8,043,000.*

1 Military and naval insurance: For an additional amount,
 2 fiscal year 1947, for "Military and naval insurance",
 3 \$1,000,000, to remain available until expended.

4 Vocational rehabilitation revolving fund: To increase
 5 the "Vocational rehabilitation revolving fund (Act of March
 6 24, 1943)", created by the Urgent Deficiency Appropria-
 7 tion Act, 1943, \$200,000.

8 TREASURY DEPARTMENT

9 FISCAL SERVICE—BUREAU OF ACCOUNTS

10 Division of Disbursement, salaries and expenses: For an
 11 additional amount, fiscal year 1947, for "Division of Dis-
 12 bursement, salaries and expenses", (18)\$3,000,000
 13 \$3,520,000.

14 TITLE II—REDUCTIONS IN APPROPRIATIONS 15 AND AUTHORIZATIONS

16 Amounts available to the departments and agencies from
 17 appropriations and other funds are hereby reduced in the
 18 sums hereinafter set forth, such sums to be carried to the
 19 surplus fund and covered into the Treasury immediately
 20 upon the approval of this Act:

21 EXECUTIVE OFFICE OF THE PRESIDENT

22 Office for Emergency Management:

23 Office of Scientific Research and Development:

24 Working fund, Executive, Emergency Manage-

ment (Office of Scientific Research and Development), 1942-1946, \$2,044,477.

Working fund, Executive, Emergency Management (Office of Scientific Research and Development), 1940-1946, \$160,744.

Working fund, Executive, Emergency Management (Office of Scientific Research and Development), 1945, \$6,688,979.

Office of Temporary Controls:

Salaries and expenses, Civilian Production Administration functions, Office of Temporary Controls, 1947, \$2,400,000: *Provided*, That the Civilian Production Administration shall be discontinued and its affairs ~~(19) placed in liquidation~~ *shall be entirely liquidated* not later than June 30, 1947.

~~(20) Salaries and expenses, Office of Price Administration functions, Office of Temporary Controls, 1947, \$9,000,000.~~

~~(21) Salaries and expenses, Office of War Mobilization functions, Office of Temporary Controls, 1947, \$60,000.~~

Salaries and expenses, Economic Stabilization, Office of War Mobilization and Reconversion func-

1 *tions, Office of Temporary Controls, 1947, \$44,000.*
 2 *Salaries and expenses, guaranteed annual wage*
 3 *plans, Office of War Mobilization and Reconversion*
 4 *functions, Office of Temporary Controls, 1946-*
 5 *1947, \$16,000.*

6 FUNDS APPROPRIATED TO THE PRESIDENT

7 Emergency fund for the President, national defense,
 8 1942-1947, \$2,500,000.

9 INDEPENDENT OFFICES

10 Atomic Energy Commission: Atomic energy, Execu-
 11 tive (allotment to Atomic Energy Commission), 1942-
 12 1947, \$40,000,000.

13 Price Decontrol Board: Salaries and expenses, Price
 14 Decontrol Board, 1947, \$195,212.

15 United States Maritime Commission:

16 Construction fund, United States Maritime Commis-
 17 sion, Act June 29, 1936, revolving fund, \$265,000,000,
 18 and the contract authorization under this head is hereby
 19 reduced in the sum of \$132,000,000.

20 Emergency ship construction fund, United States
 21 Maritime Commission, \$1,251,691, together with the
 22 unexpended balance: *Provided*, That hereafter the
 23 United States Maritime Commission construction fund
 24 shall be available for the payment of obligations previ-

ously incurred against the emergency ship construction fund.

Working fund, Maritime Commission (Navy Department), \$60,265,686.

Working fund, Maritime Commission (War Department), 1942-1945; working fund, Maritime Commission (War Department), 1945; working fund, Maritime Commission (War Department), 1942-1946, \$834,845.

Working fund, United States Maritime Commission, War Shipping Administration functions, December 31, 1946, \$358,679.

Working fund, United States Maritime Commission, War Shipping Administration functions, 1945; \$270,006.

Veterans' Administration:

Adjusted service and dependent pay, Veterans' Administration, \$71,631.

~~(22) Military and naval compensation, Veterans' Administration, \$16,693.29.~~

Military and naval family allowance, Veterans' Administration, \$11,155.97.

Hospital facilities and services, Veterans' Administration, \$8,469.39.

1 Vocational rehabilitation, Veterans' Administration,
2 \$6,441.71.

3 FEDERAL SECURITY AGENCY

4 Office of Education:

5 Working fund, Federal Security Agency, Office of
6 Education, 1946, \$2,600.

7 Working fund, Federal Security Agency, Office
8 of Education (advance from Veterans' Administration),
9 1947, \$41,800.

10 Public Health Service: Working fund, United States
11 Public Health Service, 1946, \$12,664.

12 Office of the Administrator:

13 Civilian war benefits, Federal Security Agency,
14 1947, \$18,000.

15 Civilian war assistance, Federal Security Agency,
16 1947, \$1,000,000.

17 FEDERAL WORKS AGENCY

18 Public Buildings Administration:

19 Social Security Board and Railroad Retirement
20 Board buildings, Washington, District of Columbia,
21 Public Buildings Administration, \$46,914.

22 War Department buildings, Washington, Dis-
23 trict of Columbia, Public Buildings Administration,
24 \$150,000.

1 Great plaza development, triangle, Washington,
2 District of Columbia, Public Buildings Administration,
3 \$7,250.

4 Emergency construction of public buildings, Public
5 Buildings Administration, act of June 19, 1934, \$5,955,
6 together with the unobligated balance as of June
7 30, 1947.

8 Emergency construction of public buildings, Public
9 Buildings Administration, Act of August 12, 1935,
10 \$5,755, together with the unobligated balance as of
11 June 30, 1947.

12 Emergency construction of public buildings, Public
13 Buildings Administration, Act of June 22, 1936,
14 \$11,661, together with the unobligated balance as of
15 June 30, 1947.

16 Federal office buildings numbered 2 and 3, in or
17 near the District of Columbia, Public Buildings Admin-
18 istration, unobligated balance, June 30, 1947.

19 Emergency safeguarding of public buildings and
20 property, Public Buildings Administration, \$10,000,
21 together with the unobligated balance as of June
22 30, 1947.

23 Working capital fund, Public Buildings Adminis-
24 tration, \$2,500.

1 Veterans' decentralization allowances, Public Build-
2 ings Administration, 1947-1948, \$40,000.

3 Materials testing laboratory and equipment, Na-
4 tional Bureau of Standards (transfer to Federal
5 Works Agency, Public Buildings Administration),
6 \$7,797.

7 Working fund, Federal Works Agency, Public
8 Buildings Administration, \$126,445.

9 Working fund, Federal Works Agency, Public
10 Buildings Administration, 1946, \$51,453.

11 Public Roads Administration:

12 Access roads, Public Roads Administration (national
13 defense), ~~(23)\$1,897,030~~ \$2,101,972.

14 Strategic highway network, Public Roads Admin-
15 istration (national defense), ~~(24)\$278,158~~ \$282,481.

16 Flood relief, Missouri, Mississippi, Louisiana, and
17 Arkansas, for restoration of roads and bridges, Public
18 Roads Administration, unobligated balance, June 30,
19 1947.

20 NATIONAL HOUSING AGENCY

21 Federal Public Housing Authority:

22 National defense housing, temporary shelter, Office
23 of Administrator, National Housing Agency (transfer to
24 Federal Public Housing Authority), \$142,098.

1 War housing in and near the District of Columbia,
2 Federal Public Housing Authority, \$85,469.

3 Construction fund, United States Maritime Com-
4 mission, Act June 29, 1936 (transfer to National
5 Housing Agency, Federal Public Housing Authority),
6 \$574,096.

7 DEPARTMENT OF AGRICULTURE

8 Office of the Secretary:

9 Working fund, Agriculture, general, \$23,666.77.

10 Working fund, Agriculture, general, 1942-1946,
11 \$78,669.52.

12 Bureau of Agricultural Economics: Working fund, Agri-
13 culture, Bureau of Agricultural Economics, \$16.25.

14 Extension Service:

15 Working fund, Agriculture, Extension Service,
16 1941-1946, \$3,655.

17 Working fund, Agriculture, Extension Service
18 (special fund), \$475.76.

19 Agricultural Research Administration:

20 Office of the Administrator:

21 Removal and reestablishment of Arlington
22 Farm, Virginia (transfer to Agriculture), \$162,-
23 400.18.

24 Working fund, Agriculture, Agricultural Re-

1 search Administration, 1942-1946, \$34,813.89.

2 Working fund, Agriculture, Agricultural Re-
3 search Administration, 1946, \$48,000.

4 Bureau of Plant Industry, Soils, and Agricultural
5 Engineering: Rubber investigations, Bureau of Plant
6 Industry, Soils, and Agricultural Engineering, \$105.70.
7 Forest Service:

8 Working fund, Agriculture, Forest Service, 1942-
9 1946, \$51,465.66.

10 Working fund, Agriculture, Forest Service, 1946,
11 \$82,823.93.

12 Acquisition of lands, \$36.56.

13 Soil Conservation Service:

14 Working fund, Agriculture, Soil Conservation Serv-
15 ice, 1941-1946, \$128.

16 Working fund, Agriculture, Soil Conservation Serv-
17 ice, 1942-1946, \$26,069.

18 Production and Marketing Administration:

19 Conservation and use of agricultural land resources,
20 Department of Agriculture, 1946-1947, \$8,945,000.

21 Administration of Price Adjustment Act of 1938,
22 Department of Agriculture, \$85,638.

23 Exportation and domestic consumption of agricul-
24 tural commodities, Department of Agriculture (cotton
25 price adjustment), \$139,068.

1 Payments for agricultural adjustment, Department
2 of Agriculture, \$4,505.

3 Community facilities, defense public works, Office
4 of Administrator, Federal Works Agency (transfer to
5 Agriculture), \$11,895.

6 DEPARTMENT OF COMMERCE

7 Bureau of the Census:

8 Working fund, Commerce, Bureau of the Census,
9 1947, \$21,500.

10 Working fund, Commerce, Bureau of the Census,
11 1946, \$11,385.

12 Coast and Geodetic Survey:

13 Working fund, Commerce, Coast and Geodetic Sur-
14 vey, \$4,816.65.

15 Working fund, Commerce, Coast and Geodetic Sur-
16 vey, 1942-1946, \$8.11.

17 National Bureau of Standards:

18 Working fund, Commerce, Standards, 1942-1946,
19 \$12,335.69.

20 Working fund, Commerce, Standards, 1946,
21 \$84,345.

22 Working fund, Commerce, Standards, \$365.22.

23 Station for broadcasting standard frequencies,
24 National Bureau of Standards, \$1,000.

1 DEPARTMENT OF THE INTERIOR

2 Bureau of Indian Affairs:

3 Purchase of land for Navajo Indians, Arizona (re-
4 imbursable), \$308.02.

5 Construction, irrigation systems, Indian Service (re-
6 imbursable), \$9,865.90.

7 Construction, buildings and utilities, Indian Service,
8 \$131,407.71.

9 Support of Wisconsin Band of Potawatomie, Wis-
10 consin and Michigan (reimbursable), \$500.21.

11 Working fund, Interior, Indians, \$25,538.66.

12 Working fund, Department of the Interior, sub-
13 sistence, homestead project, \$2,092.97.

14 Bureau of Mines:

15 Reduction of zinc concentrates with methane gas,
16 Bureau of Mines (national defense), \$4,133.

17 Drainage tunnel, Leadville, Colorado, \$29,081.

18 Working fund, Interior, Mines (Office of Scientific
19 Research and Development), 1946, \$130,000.

20 Working fund, Interior, Mines, Army, Engineer
21 Service, 1942-1946, \$43,905.

22 National Park Service:

23 Roads and trails, national parks, emergency con-
24 struction, act of June 19, 1934, \$22.

Working fund, Interior, National Park Service (advance from War Department), \$14,000.

Government in the Territories: Emergency fund, Territories and island possessions (national defense), \$121,000.

DEPARTMENT OF JUSTICE

Federal Prison System:

Buildings and equipment, penal institutions, \$865,000.

United States Industrial Reformatory, Chillicothe, Ohio, construction, \$89.71.

United States Northeastern Penitentiary, Lewisburg, Pennsylvania, construction, \$1,636.78.

Public Works Administration, Act of 1938 (allotment to Justice, prisons), \$1,702.52.

Federal jails, buildings, and equipment (Sandstone), \$370.35.

Working fund, Justice, prisons, \$149,729.70.

DEPARTMENT OF LABOR

Office of the Secretary:

Veterans' housing, Office of Administrator, National Housing Agency (transfer to Labor), \$3,368.

Migration of workers, War Manpower functions, Department of Labor, 1944, \$652,376.

1 Migration of workers, War Manpower functions,
2 Department of Labor, 1945, \$4,884.

3 Bureau of Labor Statistics: Working fund, Labor, Labor
4 Statistics (advance from National Housing Agency),
5 \$237.68.

6 National Wage Stabilization Board: Salaries and ex-
7 penses, National Wage Stabilization Board, Department of
8 Labor, 1947, \$1,191,900.

9 NAVY DEPARTMENT

10 Bureau of Supplies and Accounts:

11 Naval working fund, \$50,000,000.

12 Naval procurement fund, \$50,000,000.

13 Strategic and critical materials, Navy, \$94.

14 Reserve material, Navy, \$62,800.

15 Bureau of Yards and Docks:

16 Public works, Bureau of Yards and Docks, 1947,
17 \$15,108,514: *Provided*, That hereafter no obligations
18 shall be incurred against the contract authorization pro-
19 vided under this head prior to July 1, 1946.

20 Increase and replacement of naval vessels: Repair
21 facilities, Navy, \$4,000,000.

22 TREASURY DEPARTMENT

23 Bureau of Accounts: Emergency relief, liquidation fund,
24 (25) ~~\$1,000,000~~ \$1,280,000.

25 Bureau of Federal Supply: Working capital fund, dupli-

1 cating services, Procurement Division, (26)~~\$1,483,480.02~~
 2 ~~\$1,323,480.02~~.

3 Coast Guard:

4 Acquisition of vessels and shore facilities, Coast
 5 Guard, \$9,624,066.

6 Emergency construction, vessels and shore facilities,
 7 Coast Guard, \$184,225.

8 Establishing and improving aids to navigation, Coast
 9 Guard, \$59,279.

10 Special projects, aids to navigation, Coast Guard,
 11 \$36,106.

12 Special projects, vessels, Coast Guard, \$37,470.

13 Special projects, aids to navigation, Lighthouse
 14 Service, Coast Guard, \$3,937.

15 WAR DEPARTMENT

16 Military activities:

17 Expenses and losses financing war contracts,
 18 \$15,000,000.

19 Acquisition of land, West Point, unexpended bal-
 20 ance.

21 Acquisition of land, San Bernardino, Kern, and Los
 22 Angeles Counties, California, unexpended balance.

23 Acquisition of land, Panama, Army, unexpended
 24 balance.

1 Acquisition of land, Buchanan, Puerto Rico, unex-
2 pended balance.

3 Acquisition of land, act of June 20, 1940, unex-
4 pended balance.

5 Sites for military purposes, unexpended balance.

6 Construction of buildings, utilities, and appurte-
7 nances, military posts, \$17,567,069.
8 forth, unexpended balance.

9 Buildings for United States representatives, Philip-
10 pine Islands, unexpended balance.

11 Emergency fund for the President, national defense
12 housing (allotment to War), unexpended balance.

13 Community facilities, defense public works, Office of
14 Administrator, Federal Works Agency (transfer to
15 War), \$221,855.

16 National defense housing, War maintenance, and so

17 Emergency fund for the President, defense housing,
18 temporary shelter, War, Federal Public Housing Au-
19 thority, maintenance, unexpended balance.

20 National defense housing, War, Office of Adminis-
21 trator, Federal Works Agency, maintenance, and so
22 forth, unexpended balance.

23 Repair of arsenals, emergency construction, unex-
24 pended balance.

25 Seacoast defenses, general, \$130,619.

Seacoast defenses, \$106,468.

Seacoast defenses, Panama Canal, \$642,905.

TITLE III—GENERAL PROVISIONS

SEC. 301. No part of any appropriation contained in this Act shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who ad-

1 vocates, or who is a member of an organization that advocates,
2 the overthrow of the Government of the United States by
3 force or violence and accepts employment the salary or wages
4 for which are paid from any appropriation contained in this
5 Act shall be guilty of a felony and, upon conviction, shall
6 be fined not more than \$1,000 or imprisoned for not more
7 than one year, or both: *Provided further*, That the above
8 penalty clause shall be in addition to, and not in substitution
9 for, any other provisions of existing law.

10 SEC. 302. This Act may be cited as the "Urgent Defi-
11 ciency Appropriation Act, 1947".

Passed the House of Representatives February 18, 1947.

Attest:

JOHN ANDREWS,

Clerk.

Passed the Senate with amendments March 5 (legisla-
tive day, February 19), 1947.

Attest:

CARL A. LOEFFLER,

Secretary.

80TH CONGRESS
1ST SESSION

H. R. 1968

AN ACT

Making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1947, and for other purposes.

IN THE HOUSE OF REPRESENTATIVES

MARCH 6, 1947

Ordered to be printed with the amendments of the
Senate numbered

Penalty mail; buildings. "In 1946 the Post Office Department expended \$29,709,039 for handling penalty mail for Government agencies, other than military services. Had full postage been paid on this mail the revenues of the Post Office Department would have been increased by \$98,260,942. It might also be noted that the Post Office Department is responsible for and charged with the expense of maintaining Federal buildings throughout the country, and that in many instances these buildings are occupied in part by other Government agencies which do not pay rent or bear any share in the cost of maintenance."

"Office of Budget and Administrative Planning [Post Office Department] requested and was allowed \$59,500, which the committee felt was a small sum in view of the work this Office does to promote the efficiency of the department. A work simplification program for the service has been undertaken by this Office, and already has resulted in savings. This program should be continued and expanded, and adequate rewards should be given promptly to those employees in the service who contribute worth-while ideas."

Rep. Miller, Conn., recommended elimination of the provisions limiting the prices of typewriters for the Government (pp. 1956-7).

2. URGENT DEFICIENCY APPROPRIATION BILL. Received the conference report on this bill, H.R. 1968 (pp. 1935-6). The conferees provided for a \$2,000,000 rescission for OPA and for liquidation by June 30, 1947. The rescissions for this Department were not changed (see Digest 13).
3. SCHOOL-LUNCH PROGRAM. Rep. Pace, Ga., spoke in favor of a supplemental appropriation for this program (pp. 1966-7).
4. WOOL TARIFF. Reps. Rich (Pa.) and Hill (Colo.) spoke in favor of maintaining the tariff on wool (p. 1939).
5. SUGAR. Received a Wis. Legislature memorial favoring removal of sugar controls (p. 1970).
6. BANKING AND CURRENCY. The Banking and Currency Committee reported without amendment H.R. 2413, which amends the provisions of the Federal reserve Act regarding sale of U.S. obligations (H.Rept. 116) (p. 1968).

SENATE

7. PRICES. Sen. McMahon, Conn., called attention to rising prices, mentioning agricultural prices particularly, and urged business to take action to stop the rising spiral (pp. 1924-5).
8. SUGAR. Received a Wis. Legislature resolution urging the decontrol of sugar (p. 1876).
9. SCHOOL-LUNCH PROGRAM. Received a Ga. Legislature resolution urging the continuation of this program (p. 1878).
10. DISBURSING OFFICERS. Both Houses received from the Treasury Department proposed legislation to provide for the orderly transaction of public business in event of the death, resignation, or separation from office of regional disbursing officers of the Treasury Department (pp. 1876, 1968).
11. MONOPOLIES. Agreed to Sen. O'Mahoney's (Wyo.) request that the special report of the Federal Trade Commission, "The Present Trend of Corporate Mergers and

Acquisitions," be printed as S. Doc. 17 (p. 1881).

12. EDUCATION. Received a La. Legislature resolution urging the appropriation of funds to assist the States in their elementary and secondary educational programs (p. 1877).
13. MINERALS. Sen. Dworshak, Idaho, inserted Idaho Legislature memorials opposing the proposed plan for the leasing of mining claims by the Government, and urging special tariff consideration for minerals (p. 1877).
14. RECESSED until Wed., Mar. 12 (p. 1934). Both Houses agreed to meet in joint session on Wed. to hear the President's message on the Greek problem.

BILLS INTRODUCED

15. SUPPORT PRICES. S. 853, by Sen. Eastland, Miss., to increase loan rates on basic agricultural commodities, to extend and increase price support on non-basic agricultural commodities. To Agriculture and Forestry Committee. (p. 1880.)
16. BUILDINGS AND GROUNDS. S. 833, by Sen. Cain, Wash., authorizing the U.S. and D.C. Governments to pay for water and water services secured from the D.C. water system and authorizing loans from the U.S. Treasury for the expansion of the water system. To District of Columbia Committee. (p. 1880.)
17. SURPLUS PROPERTY. S. 860, by Sen. Hatch, N.Mex., to amend the Surplus Property Act with respect to disposal of property to meet the needs of small business. To Armed Services Committee. (p. 1880.)
18. RUBBER. S.J.Res. 83, by Sen. Ives, N.Y., to strengthen the common defense by maintaining an adequate domestic rubber-producing industry. To Banking and Currency Committee. (p. 1881.)
19. WATER UTILIZATION. H.R. 2439, by Rep. Barrett, Wyo., granting the consent of Congress to the States of Utah and Wyo., to negotiate and enter into a compact for the division of the waters of the Henrys Fork River and its tributaries. To Public Lands Committee. (p. 1968.)
20. RECLAMATION. H.R. 2440, by Rep. Boggs, La., to extend the Reclamation laws to the State of Louisiana. To Public Lands Committee. (p. 1968.)
21. CONSUMER CREDIT. H.R. 2443, by Rep. Davis, Ga., to cancel regulation W and to prevent regulation of consumer credit by the Federal Government. To Banking and Currency Committee. (p. 1968.)
22. PERSONNEL. H.R. 2447, by Rep. Jones, Wash., to amend the Civil Service Retirement Act. To Post Office and Civil Service Committee. (p. 1969.)
H.R. 2462, by Rep. Stevenson, Wis., to amend the Civil Service Retirement Act. To Post Office and Civil Service Committee. (p. 1969.)
23. MINERALS. H.R. 2455, by Rep. Russell, Nev., to establish within the Department of the Interior a National Minerals Resource Division. To Public Lands Committee. (p. 1969.)
24. LIBRARIES. H.R. 2465, by Rep. Jenkins, Ohio, to provide for the demonstration of public-library service in areas without such service or with inadequate library facilities. To Education and Labor Committee. (p. 1969.)
25. PURCHASING. H.R. 2469, by Rep. Anderson, Calif., to amend the act approved

House of Representatives

MONDAY, MARCH 10, 1947

The House met at 12 o'clock noon.

Rev. Lawrence P. Gatti, assistant pastor, St. Stephen's Roman Catholic Church, Washington, D. C., offered the following prayer:

O Heavenly Father, Almighty God, in whom the founding fathers of our country have directed that we should put all our trust, deign in Thy loving goodness to give guidance and protection to the Members of our Congress. Impart to each of them the wisdom of Thy ways.

May they, by Thy inspiration, have an ever-constant sense of their responsibility as servants of the people by whom they have been elected to office, and from whom they receive sustenance to work for the public welfare. Grant that the awareness of their civic trust may be deepened in their souls to the end that their statesmanship may redound to the credit of this Nation and benefit all our fellow citizens.

We pray, in particular, that Thy guiding light may shine forth upon today's deliberations that they may be useful toward the advancement of all interests that will produce internal peace and prosperity and make our country great among the peoples of the earth.

These blessings we ask of Thee, O Eternal Father, through Thy well-beloved Son, the blessed Christ. Amen.

THE JOURNAL

The Journal of the proceedings of Thursday, March 6, 1947, was read and approved.

MESSAGE FROM THE PRESIDENT

A message in writing from the President of the United States was communicated to the House by Mr. Miller, one of his secretaries, who also informed the House that on March 7, 1947, the President approved and signed a joint resolution of the House of the following title:

H. J. Res. 122. Joint resolution to authorize the United States Maritime Commission to make provision for certain ocean transportation service to and from Alaska until July 1, 1948, and for other purposes.

MESSAGE FROM THE SENATE

A message from the Senate, by Mr. Frazier, its legislative clerk, announced that the Senate had passed without amendment a concurrent resolution of the House of the following title:

H. Con. Res. 28. Concurrent resolution providing for a joint session of the Congress on March 12, 1947.

The message also announced that the Senate agrees to the report of the committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1030) entitled "An act to continue in ef-

fect certain war-excise tax rates, and for other purposes."

URGENT DEFICIENCY APPROPRIATION BILL, 1947

Mr. TABER submitted the following conference report and statement on the bill (H. R. 1968) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1947, and for other purposes:

CONFERENCE REPORT

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1968) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1947, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 17, 19, 21, 22, 23, 24, 25, and 26, and agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$136,500"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"OFFICE OF TEMPORARY CONTROLS

"Salaries and expenses: For an additional amount, fiscal year 1947, for the Office of Price Administration transferred by Executive Order 9809 of December 12, 1946, to the Office of Temporary Controls, \$7,051,752, to be available for the payment of terminal leave only: *Provided*, That it is the intent of the Congress that the funds heretofore and herein appropriated shall include all expenses incident to the closing and liquidation of the Office of Price Administration and the Office of Temporary Controls by June 30, 1947."

And the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$3,000,000"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$3,100,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment, amended to read as follows:

"Salaries and expenses, Office of Price Administration functions, Office of Temporary

Controls, 1947, \$2,000,000: *Provided*, That the Office of Price Administration shall be discontinued and its affairs shall be entirely liquidated not later than June 30, 1947."

And the Senate agree to the same.

JOHN TABER,
R. B. WIGGLESWORTH,
ALBERT J. ENGEL,
KARL STEFAN,
FRANCIS CASE,
FRANK B. KEEFE,
CLARENCE CANNON,
JOHN D. KERR,
GEORGE MAHON,

Managers on the Part of the House.

STYLES BRIDGES,
C. WAYLAND BROOKS,
CHAN GURNEY,
JOSEPH H. BALL,
KENNETH MCKELLAR,

Managers on the Part of the Senate.

STATEMENT

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1968) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1947, and for other purposes, submit the following report in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

TITLE I—GENERAL APPROPRIATIONS

Amendment No. 1: Adds the word "Senate" as a subtitle to the bill.

Amendments No. 2 and No. 3: Appropriates gratuities to the widows of two deceased Senators, as proposed by the Senate.

Amendment No. 4: Appropriates \$1,000 for additional clerical assistance in the Senate Disbursing Office, as proposed by the Senate.

Amendment No. 5: Allows the Senate Committee on Appropriations to employ a consultant at not to exceed \$35 per day, as proposed by the Senate.

Amendment No. 6: Appropriates \$275 to pay compensation to a former Senate employee for services rendered, as proposed by the Senate.

Amendment No. 7: Appropriates \$267 for increasing the salary of one clerk under the Office of the Sergeant at Arms of the Senate, as proposed by the Senate.

Amendment No. 8: Appropriates \$3,600 to provide for the employment of six additional telephone operators on the Capitol switchboard, as proposed by the Senate.

Amendment No. 9: Appropriates \$2,174.40 for the rent of additional warehouse space, as proposed by the Senate.

Amendment No. 10: Appropriates \$10,600 for reimbursement to the District of Columbia to provide for the education of congressional pages and Supreme Court pages, as proposed by the Senate.

Amendment No. 11: Appropriates \$50,000 for salaries and expenses of the Joint Committee on Atomic Energy, as proposed by the Senate.

Amendment No. 12: Appropriates \$7,500 to the Joint Committee on Reduction of Non-essential Federal Expenditures, as proposed by the Senate.

Amendment No. 13: Appropriates \$32,000 for alterations and improvements in the Senate Office Building, as proposed by the Senate.

Amendment No. 14: Appropriates \$136,500 for salaries and expenses, Office of Defense Transportation, instead of \$130,000 as proposed by the House and \$143,000 as proposed by the Senate.

Amendment No. 15: Appropriates \$7,051,752 to the Office of Price Administration to be available for the payment of terminal leave only, with a proviso directing the payment out of current funds of all expenses incident to the closing and liquidation of the Office of Price Administration and the Office of Temporary Controls by June 30, 1947, instead of an appropriation of \$7,491,815 for general administration and liquidation of the Office of Price Administration, as proposed by the Senate.

Amendment No. 16: Appropriates \$3,000,000 for the employees' compensation fund, Federal Security Agency, instead of \$3,474,000 as proposed by the Senate.

Amendment No. 17: Appropriates \$165,000,000 as proposed by the Senate to the Veterans' Administration for "administration, medical, hospital, and domiciliary services," instead of \$135,000,000 as proposed by the House.

Amendment No. 18: Appropriates \$3,100,000 to the Treasury Department for Division of Disbursement, salaries and expenses, instead of \$3,000,000 as proposed by the House and \$3,520,000 as proposed by the Senate.

TITLE II—RESCISSIONS

Amendment No. 19: Provides that the Civilian Production Administration "shall be entirely liquidated" by June 30, 1947, as proposed by the Senate, instead of being "placed in liquidation" by that date, as proposed by the House.

Amendment No. 20: Rescinds \$2,000,000 of Office of Price Administration funds instead of \$9,000,000 as proposed by the House and none as proposed by the Senate, with the proviso that the Office of Price Administration shall be entirely liquidated not later than June 30, 1947.

Amendment No. 21: Rescinds \$44,000 from salaries and expenses, Economic Stabilization, Office of War Mobilization and Reconversion functions, Office of Temporary Controls, and \$16,000 from salaries and expenses, guaranteed annual wage plans, Office of War Mobilization and Reconversion functions, Office of Temporary Controls, as proposed by the Senate, instead of \$60,000 from salaries and expenses, Office of War Mobilization and Reconversion, as proposed by the House.

Amendment No. 22: Eliminates a proposed rescission of \$16,693.29 for military and naval compensation, Veterans' Administration, as proposed by the Senate, inasmuch as such sum has previously been recovered by the Treasury.

Amendment No. 23: Rescinds \$2,101,972 on account of access roads, Public Roads Administration, as proposed by the Senate instead of \$1,897,030 as proposed by the House.

Amendment No. 24: Rescinds \$282,481 on account of strategic highway network, Public Roads Administration, as proposed by the Senate instead of \$278,158 as proposed by the House.

Amendment No. 25: Rescinds \$1,280,000 from Treasury Department, Bureau of Accounts, emergency relief, liquidation fund, as proposed by the Senate instead of \$1,000,000 as proposed by the House.

Amendment No. 26: Rescinds \$1,323,480.02 from Treasury Department, Bureau of Federal Supply, working capital fund; duplicating services, Procurement Division, as proposed by the Senate instead of \$1,483,480.02 as proposed by the House.

JOHN TABER,
RICHARD B. WIGGLESWORTH,
ALBERT J. ENGEL,
KARL STEFAN,
FRANCIS CASE,
FRANK B. KEEFE,
CLARENCE CANNON,
JOHN H. KERR,
GEORGE H. MAHON,

Managers on the Part of the House.

JOINT SESSION OF THE TWO HOUSES OF CONGRESS

Mr. HALLECK. Mr. Speaker, I offer a concurrent resolution (H. Con. Res. 28) and ask for its immediate consideration.

The Clerk read the concurrent resolution, as follows:

Resolved, by the House of Representatives (the Senate concurring), That the two Houses of Congress assemble in the Hall of the House of Representatives on Wednesday, March 12, 1947, at 1 p. m., for the purpose of receiving such communications as the President of the United States shall be pleased to make to them.

The concurrent resolution was agreed to.

A motion to reconsider was laid on the table.

PERMISSION TO ADDRESS THE HOUSE

Mr. MASON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

[Mr. MASON addressed the House. His remarks appear in the Appendix of today's RECORD.]

EXTENSION OF REMARKS

Mr. KNUTSON. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include a very fine and timely editorial from the Detroit Free Press of yesterday.

The SPEAKER. Is there objection to the request of the gentleman from Minnesota?

There was no objection.

[The matter referred to appears in the Appendix.]

Mr. REED of New York asked and was given permission to extend his remarks in the RECORD and include a newspaper article.

PERMISSION TO ADDRESS THE HOUSE

Mr. DONDERO. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

FREDERICK OSBORN

Mr. DONDERO. Mr. Speaker, the Washington Daily News of March 7, 1947, page 20, carries the report that Frederick Osborn, wartime chief of the Army's morale program, has been named as deputy United States representative on the United Nations Atomic and Disarmament Commission. This is the same man who headed the Army orientation courses under which tracts were issued to our armed forces justifying Soviet aggression against Finland, Poland, and China, validating the Stalin-Hitler Pact, praising the Soviet Union as a democracy, and denouncing our own system of private enterprise. Literature distributed to troops under Army orientation auspices included works by Maxwell S. Stewart, Owen Lattimore, and other well-known followers of the Communist Party line.

Orientation Fact Sheet No. 53 described the Soviet Union as having ultimate political ideals "directed opposite to the stated ideals of Fascist dictator-

ship, and their hope is to drop the appurtenances of dictatorship in the process of democratic evolution." We have only to witness what is happening in Poland, Hungary, and Yugoslavia under Soviet domination to see how misleading this is.

Owen Lattimore's book, *The Making of Modern China*, a part of the Army course library, calls the open-door policy "a further development of the permanent policy of litch-hiking imperialism in a preference to active imperialism."

From this appointment and the proposed appointment of David Lilienthal, Herbert Marks, and others, it is clear that the administration is working hand-in-glove with those who make it a profession to be hoodwinked by the Communists, with those who are willing to go to any length to appease the Soviet dictator. I, for one, cannot let this appointment pass by without raising my voice in strenuous protest against it.

NEWSPRINT INVESTIGATION

Mr. LECOMPTE. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 59) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the expenses of the investigation and study to be conducted by the select committee created by House Resolution 58, not to exceed \$25,000, including expenditures for the employment of investigators, attorneys, and clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by such committee, signed by the chairman thereof, and approved by the Committee on House Administration.

The resolution was agreed to.

A motion to reconsider was laid on the table.

COMMITTEE ON EDUCATION AND LABOR

Mr. LECOMPTE. Mr. Speaker, by direction of the Committee on House Administration, I offer a privileged resolution (H. Res. 126) and ask for its immediate consideration.

The Clerk read the resolution, as follows:

Resolved, That the expenses of conducting the studies and investigations authorized by House Resolution 111, Eightieth Congress, incurred by the Committee on Education and Labor, acting as a whole or by subcommittee, not to exceed \$40,000, including expenditures for printing and binding, employment of such experts, and such clerical, stenographic, and other assistants, shall be paid out of the contingent fund of the House on vouchers authorized by said committee and signed by the chairman of the committee and approved by the Committee on House Administration.

Sec. 2. The official committee reporters may be used at all hearings held in the District of Columbia, if not otherwise officially engaged.

The resolution was agreed to.

A motion to reconsider was laid on the table.

SELECT COMMITTEE INVESTIGATING THE NATIONAL DEFENSE PROGRAM IN ITS RELATION TO SMALL BUSINESS

Mr. LECOMPTE. Mr. Speaker, by direction of the Committee on House Administration, I submit a privileged resolution (H. Res. 129) and ask for its immediate consideration.

URGENT DEFICIENCY APPROPRIATION ACT, 1947

MARCH 10, 1947.—Ordered to be printed

Mr. TABER, from the committee of conference, submitted the following

CONFERENCE REPORT

[To accompany H. R. 1968]

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1968) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1947, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12, 13, 17, 19, 21, 22, 23, 24, 25, and 26, and agree to the same.

Amendment numbered 14:

That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$136,500; and the Senate agree to the same.

Amendment numbered 15:

That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows:

In lieu of the matter inserted by said amendment insert the following:

OFFICE OF TEMPORARY CONTROLS

Salaries and expenses: For an additional amount, fiscal year 1947, for the Office of Price Administration transferred by Executive Order 9809 of December 12, 1946, to the Office of Temporary Controls, \$7,051,752, to be available for the payment of terminal leave only: Provided, That it is the intent of the Congress that the funds heretofore and herein appropriated shall include all expenses incident to the closing and

liquidation of the Office of Price Administration and the Office of Temporary Controls by June 30, 1947.

And the Senate agree to the same.

Amendment numbered 16:

That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$3,000,000; and the Senate agree to the same.

Amendment numbered 18:

That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows:

In lieu of the sum proposed by said amendment insert \$3,100,000; and the Senate agree to the same.

Amendment numbered 20:

That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows:

Restore the matter stricken out by said amendment amended to read as follows:

Salaries and expenses, Office of Price Administration functions, Office of Temporary Controls, 1947, \$2,000,000: Provided, That the Office of Price Administration shall be discontinued and its affairs shall be entirely liquidated not later than June 30, 1947.

And the Senate agree to the same.

JOHN TABER,
R. B. WIGGLESWORTH,
ALBERT J. ENGEL,
KARL STEFAN,
FRANCIS CASE,
FRANK B. KEEFE,
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Managers on the Part of the House.

STYLES BRIDGES,
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Managers on the Part of the Senate.

STATEMENT OF THE MANAGERS ON THE PART OF THE HOUSE

The managers on the part of the House at the conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1968) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1947, and for other purposes, submit the following report in explanation of the effect of the action agreed upon and recommended in the accompanying conference report as to each of such amendments, namely:

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Amendment No. 5: Allows the Senate Committee on Appropriations to employ a consultant at not to exceed \$35 per day, as proposed by the Senate.

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Amendment No. 9: Appropriates \$2,174.40 for the rent of additional warehouse space, as proposed by the Senate.

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Amendment No. 11: Appropriates \$50,000 for salaries and expenses of the Joint Committee on Atomic Energy, as proposed by the Senate.

Amendment No. 12: Appropriates \$7,500 to the Joint Committee on Reduction of Nonessential Federal Expenditures, as proposed by the Senate.

Amendment No. 13: Appropriates \$32,000 for alterations and improvements in the Senate Office Building, as proposed by the Senate.

Amendment No. 14: Appropriates \$136,500 for salaries and expenses, Office of Defense Transportation, instead of \$130,000 as proposed by the House and \$143,000 as proposed by the Senate.

Amendment No. 15: Appropriates \$7,051,752 to the Office of Price Administration to be available for the payment of terminal leave only, with a proviso directing the payment out of current funds of all

expenses incident to the closing and liquidation of the Office of Price Administration and the Office of Temporary Controls by June 30, 1947, instead of an appropriation of \$7,491,815 for general administration and liquidation of the Office of Price Administration, as proposed by the Senate.

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Amendment No. 18: Appropriates \$3,100,000 to the Treasury Department for Division of Disbursement, salaries and expenses, instead of \$3,000,000 as proposed by the House and \$3,520,000 as proposed by the Senate.

TITLE II—RESCISSIONS

Amendment No. 19: Provides that the Civilian Production Administration "shall be entirely liquidated" by June 30, 1947, as proposed by the Senate, instead of being "placed in liquidation" by that date, as proposed by the House.

Amendment No. 20: Rescinds \$2,000,000 of Office of Price Administration funds instead of \$9,000,000 as proposed by the House and none as proposed by the Senate, with the proviso that the Office of Price Administration shall be entirely liquidated not later than June 30, 1947.

Amendment No. 21: Rescinds \$44,000 from salaries and expenses, Economic Stabilization, Office of War Mobilization and Reconversion functions, Office of Temporary Controls, and \$16,000 from salaries and expenses, guaranteed annual wage plans, Office of War Mobilization and Reconversion functions, Office of Temporary Controls, as proposed by the Senate, instead of \$60,000 from salaries and expenses, Office of War Mobilization and Reconversion, as proposed by the House.

Amendment No. 22: Eliminates a proposed rescission of \$16,693.29 for military and naval compensation, Veterans' Administration, as proposed by the Senate, inasmuch as such sum has previously been recovered by the Treasury.

Amendment No. 23: Rescinds \$2,101,972 on account of access roads, Public Roads Administration, as proposed by the Senate instead of \$1,897,030 as proposed by the House.

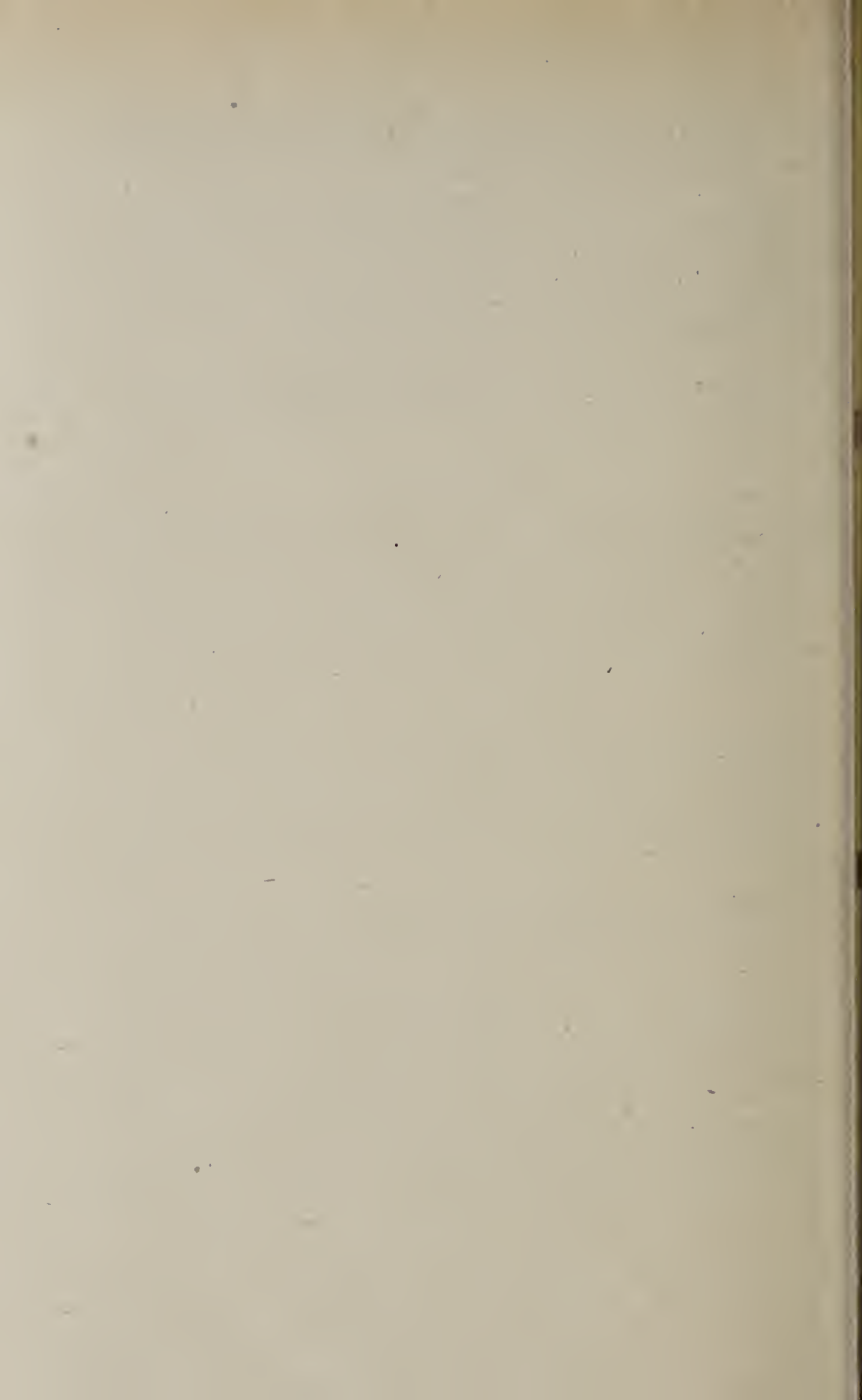
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Amendment No. 25: Rescinds \$1,280,000 from Treasury Department, Bureau of Accounts, emergency relief, liquidation fund, as proposed by the Senate instead of \$1,000,000 as proposed by the House.

Amendment No. 26: Rescinds \$1,323,480.02 from Treasury Department, Bureau of Federal Supply, working capital fund, duplicating services, Procurement Division, as proposed by the Senate instead of \$1,483,480.02 as proposed by the House.

JOHN TABER,
RICHARD B. WIGGLESWORTH,
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GEORGE H. MAHON,
Managers on the Part of the House.

○



Mazill

DIGEST OF

CONGRESSIONAL PROCEEDINGS

OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Legislative Reports and Service Section
(For Department staff only)

Issued March 12, 1947
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HIGHLIGHTS: House passed Treasury-Post Office appropriation bill; rejected amendment to eliminate restrictions on prices of typewriters purchased by Government. House agreed to conference report on urgent deficiency appropriation bill, which rescinds various USDA items. Rep. Flannagan introduced bill to establish national fertilizer program.

HOUSE

1. **TREASURY-POST OFFICE APPROPRIATION BILL.** Passed, 387-0, without amendment this bill, H. R. 2436 (pp. 1980-92). Rejected, 11-92, an amendment by Rep. Miller, Conn., to strike out the restrictions on prices in the purchasing of Government typewriters (pp. 1987-9). Rep. Albert, Okla., expressed regret at the reduction in the amount for rural-delivery postal service (p. 1991).
2. **URGENT DEFICIENCY APPROPRIATION BILL.** Agreed, 342-49, to the conference report on this bill, H. R. 1968, which rescinds various USDA appropriations (pp. 1974-9).
3. **PERSONNEL.** Rep. Rankin, Miss., spoke in favor of eliminating communists from the Government (p. 1973).

SENATE

NOT IN SESSION. Next meeting Wed., Mar. 12.

BILLS INTRODUCED

4. **FERTILIZERS.** H.R. 2494, by Rep. Flannagan, Va., to provide for the establishment of a national soil fertility policy and program; to authorize the construction of certain fertilizer plants as a part of said program; to provide for the testing and demonstrating of fertilizer produced in such Government and cooperative plants on a Nation-wide scale; and to provide for the exploration of fertilizer resources on the public lands. To Agriculture Committee. (p. 1994.)
5. **CONSUMER CREDIT.** H.R. 2498, by Rep. Schwabe, Okla., to terminate existing consumer credit regulations prescribed by the Board of Governors of the Federal Reserve System. To Banking and Currency Committee. (p. 1994.)

ITEMS IN APPENDIX

6. **RURAL ELECTRIFICATION.** Rep. Poage, Tex., discussed the question of private utilities in the rural electrification field, mentioning particularly the situation of the Brazos River Transmission Electric Co-op, and urged the continuation of the REA program (pp. A1009-12).

7. SUGAR. Rep. Buchanan, Pa., inserted a N.Y. Times article favoring the continuation of sugar controls (p. A1029).
8. SCHOOL-LUNCH PROGRAM. Rep. Jackson, Wash., inserted a Wash. Congress of Parents and Teachers resolution urging the continuation of this program (p. A1014).
9. ST. LAWRENCE SEAWAY. Rep. Kilburn, N.Y., inserted a N.Y. Rural Electric Co-op Assoc. resolution favoring this project (p. A1012).
10. FOREIGN TRADE. Rep. Kefauver, Tenn., inserted his recent address before the Institute on World Organization favoring the continuation of the reciprocal trade agreements program (pp. A1021-2).
Rep. Bryson, S.C., inserted Col. C.B. Smith's letter urging action by the U.S. to keep world markets free and open to trade (pp. A1026-7).

COMMITTEE HEARINGS Released by G.P.O.

11. GOVERNMENT CAFETERIAS. Pursuant to S. Res. 42, Pt. 3, Cafeterias in Government Buildings. Senate Civil Service Committee.

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COMMITTEE-HEARINGS ANNOUNCEMENTS for Mar. 12: S. Agriculture, farm-labor program and CCC continuation (ex.); H. Agriculture, wool program; H. Banking and Currency, sugar controls; H. Expenditures in the Executive Departments, surplus property investigation; S. Civil Service, Government cafeterias; S. Small Business, newsprint shortage; H. Appropriations, deficiency (ex.). For Mar. 13: S. Small Business, newsprint shortage (Brannan, Watts, et al). For Mar. 17: H. Judiciary, review of orders under Packers and Stockyards Act.

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For supplemental information and copies of legislative material referred to, call Ext. 4654, or send to Room 113 Adm. Arrangements may be made to be kept advised, routinely, of developments on any particular bill.

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Great Britain must be excluded. Common decency and justice require it.

EXTENSION OF REMARKS

Mr. JACKSON of Washington asked and was given permission to extend his remarks in the RECORD and include a letter and a resolution adopted by the Washington Congress of Parents and Teachers.

Mr. LANE asked and was given permission to extend his remarks in the RECORD in two instances and include in one a newspaper article appearing in the Boston Post and in the other an editorial that appeared in the Irish World.

Mr. LODGE asked and was given permission to extend his remarks in the RECORD and include an article by Anne O'Hare McCormick.

Mr. KEATING asked and was given permission to extend his remarks in the RECORD in relation to a tax reduction bill he introduced today.

Mr. MUNDT asked and was given permission to extend his remarks in the RECORD and include an editorial from the Sioux Falls (S. Dak.) Daily Argus-Leader.

Mr. HOBBS. Mr. Speaker, yesterday I was given permission to extend my remarks in the RECORD and include a sermon. I am informed by the Public Printer that this will exceed two pages of the RECORD and will cost \$159.75. I ask that it be printed notwithstanding that fact.

The SPEAKER. Without objection, notwithstanding the cost, the extension may be made.

There was no objection.

[The matter referred to will appear hereafter in the Appendix.]

Mr. LANE. Mr. Speaker, I ask unanimous consent to extend my remarks at this point in the RECORD.

The SPEAKER. Is there objection to the request of the gentleman from Massachusetts?

There was no objection.

SOCIAL SECURITY FOR ALL

Mr. LANE. Mr. Speaker, the present Social Security Act is a worthy step toward providing some measure of financial independence and peace of mind for the men and women who made this country, as they reach that well-earned period of rest from their labors that we call "the sunset of life."

Perhaps we delayed too long in passing such legislation, and that is the reason why the present law is unbalanced, extending coverage to some, while denying it to others.

No one of us, with the tragic memories of boom-and-bust still in his mind, can rest content until he makes every effort to protect all of our people from any possibility that they may have to endure such a ravaging experience again.

We must have full employment, but more than that, we must establish a bedrock of security for those who, because of their age, are cast aside by our economic system.

To be truly democratic, we must have no bewildering and heart-breaking poverty for the aged in this rich land of ours.

Social security for all on a self-sustaining basis can be won by support of the

bill which I have introduced. It will provide benefits on a minimum-maximum range of \$60 to \$75 per month for every retired citizen 60 years of age and over. The revenue to support this law will come from a tax of 2 percent upon the gross dollar value of all business transactions conducted for profit within the United States. For the purposes of this act, wages, salaries, and commissions shall be considered as transactions.

We have recently emerged from a war which was a struggle, in part, between the "have" and the "have-not" nations. Apart from humanitarian considerations, let us soberly ask ourselves, "Can we afford to let this situation develop within our Nation?"

Industry itself has come to realize that its production and its profits are dependent upon the widest possible distribution of purchasing power.

The aged, too, are consumers. They, also, must have the wherewith to buy, when they are no longer wanted in the labor force.

Social security for all will strengthen our national security.

PERMISSION TO ADDRESS THE HOUSE

Mr. STEVENSON. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Wisconsin?

There was no objection.

LEGISLATION TO CORRECT INEQUITIES IN PUBLIC LAW 134

Mr. STEVENSON. Mr. Speaker, by inadvertence when Public Law 134 was passed by the Congress, the three lower salary employees of the postal service were deprived of the benefits of the meritorious grades provided in that act.

I am certain it was not the intent of Congress to discriminate against these low-salaried employees. For that reason, I conclude it was an oversight that they were omitted from the provisions and benefits of Public Law 134, as amended.

The classes of postal employees to which I refer are: Elevator mechanics helpers, telephone operators, firemen and firemen's helpers, gardeners, guards, elevator operators, window cleaners, char-workers, messengers, and manual laborers; a total of some 13,000 employees throughout the entire postal service.

To rectify this apparent discrimination against these lower salaried employees in our postal service, I am introducing a bill to amend Public Law 134, approved July 6, 1945, so as to give these employees the benefits of the meritorious grades, thus giving them equal consideration with other postal employees.

I am informed this bill has the approval of the Post Office Department and the Bureau of the Budget. The bill will not affect the 1947-48 budget, inasmuch as its effective date will be July 1, 1949.

COMMITTEE ON EXPENDITURES IN THE EXECUTIVE DEPARTMENTS

Mr. HOFFMAN. Mr. Speaker, I ask unanimous consent that notwithstanding the fact that the House may be in session on subsequent days during the

week a subcommittee of the Committee on Expenditures in the Executive Departments which is investigating racketeering may be permitted to hold hearings.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

Mr. RAYBURN. Reserving the right to object, Mr. Speaker, is that for today?

Mr. HOFFMAN. For Thursday and Friday.

Mr. RAYBURN. I do not know what will be under consideration in the House on Thursday and Friday, Mr. Speaker. I announced the other day that when bills were being considered under the 5-minute rule I thought committees should not sit. Until we determine what will be the program on Thursday and Friday, I must object.

Mr. HOFFMAN. How about Friday?

Mr. RAYBURN. I said Thursday and Friday. We can wait and see, I think.

PERMISSION TO ADDRESS THE HOUSE

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to address the House for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

COMMUNISM IN THE GOVERNMENT DEPARTMENTS

Mr. RANKIN. Mr. Speaker, at least some of us Members of the Congress are getting tired of seeing and hearing the gentleman from New York [Mr. CELLER] rise on this floor and attack Great Britain, a friendly country, for resisting what we consider a Communist-front movement in Palestine known as the Zionist movement.

Now we are being asked to challenge Communism in Greece. I for one have been in favor of challenging communism in this country all the time; but I want to begin at home and drive communism out of every department of this Government first.

The gentleman from New Jersey [Mr. HARTLEY] complained a while ago of Communists threatening the witnesses that come before his committee, and told of one of those witnesses being murdered last night. I say, bring out your bill and let us pass some legislation to put a stop to these outrages.

Another thing, I should like to wake up the Department of Justice. I am for cleaning house and fumigating every department of this Government. The Committee on Un-American Activities wrote letters to the Department of Justice 2 weeks ago for information that we needed and to this date we have not even received a reply.

Mr. Speaker, we are coming to a great show-down with atheistic communism throughout the world; but while we are cleaning the other fellow's house let us clean our own and drive these subversive elements from every branch of our Government, from our educational institutions, from labor unions, and from every other phase of American life. Let us save America for Americans. This is the last stand of civilization as we know it.

The SPEAKER. The time of the gentleman from Mississippi has expired.

PERMISSION TO ADDRESS THE HOUSE

Mr. OWENS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Illinois?

There was no objection.

LABOR LEGISLATION

Mr. OWENS. Mr. Speaker, I have been receiving a number of letters and telegrams—and I know some of the other Members of the House have also—with respect to the fact that Congress is slow in passing legislation. They mention particularly the matter of labor.

We of the Committee on Education and Labor have been working hard for 5 weeks from morning until night, sometimes from 9 in the morning to 7 o'clock at night, to give everyone a fair hearing, including both labor and management. During that time, while the Communist end has crept into our hearings, we find that the difficulties seem to rise mainly in the question of jurisdictional strikes. They appear to be paralyzing our Nation. We ask the people of the United States and the Congress, both the House and Senate, to give us a little time, because we are going to bring out a bill very shortly. When we do, I think that you will find that it will be fair to both management and labor.

PERMISSION TO ADDRESS THE HOUSE

Mr. BUFFETT. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Nebraska?

There was no objection.

THE FOREIGN SITUATION

Mr. BUFFETT. Mr. Speaker, on March 22, 1941, a New York Times editorial carried this sentence:

If China is to be saved, with our help, from Japanese and Axis control its embattled leaders will have to forget their divergent doctrinal objectives and settle their present dispute peaceably.

That was six long years ago. Since then billions of dollars of American money and the blood of American youths have been poured into Asia in an effort to "save China."

Now the same people who maneuvered America into ghastly failure in China are at it again. They want us to go into Greece in the same fashion. What are these schemes for? The Communists could not figure out a surer way to destroy America than the road the internationalists have taken us on for 6 years—with Greece now proposed as the next milepost. Our bewildered leaders, whose policies have resulted in such complete failure, now play into Stalin's hands when they are sucked into overextending our declining strength around the world.

PERMISSION TO ADDRESS THE HOUSE

Mr. MORRIS. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Oklahoma?

There was no objection.

TAKING CARE OF THE OLD FOLKS

Mr. MORRIS. Mr. Speaker, I know, and all of us know, that many important matters are going to confront us during this session of the Congress. But I hope we do not forget our old folks.

I have recently introduced a bill, H. R. 2410. I hope I shall have the opportunity to call its provisions to your attention a little later. It is simple. I believe it is workable. But whether my bill is passed or whether some other bill is passed, definitely, gentlemen, definitely we must take a step forward to protect and provide for our own old folks. It is a tragedy the way it has been going. It is all mixed up and a jumbled-up affair. It is not just. It is not simple. It is not American. I hope we will give our attention to it.

EXTENSION OF REMARKS

Mr. EDWIN ARTHUR HALL asked and was given permission to extend his remarks in the RECORD and include a radio address.

PERMISSION TO ADDRESS THE HOUSE

Mr. BENDER. Mr. Speaker, I ask unanimous consent to address the House for 1 minute.

The SPEAKER. Is there objection to the request of the gentleman from Ohio?

There was no objection.

THE FOREIGN SITUATION

Mr. BENDER. Mr. Speaker, I am asking for this opportunity to correct several serious misstatements which are being spread throughout the country. The Republican Party is being charged with all the difficulties through which our country is passing.

Let us call a spade a spade. The major European problems which afflict us today are the direct products of the secret agreements secretly arrived at during the war. For reasons unknown to the American people and even to those in the State Department who should have known, European spheres of influence were carved out at the major conferences of Russia, Great Britain, and our country. Russia was given control over the whole of central and western Europe. Poland, Czechoslovakia, Rumania, Hungary, and the Balkans were read out of western Europe. Our own country was to be content with its usual idealistic goose egg.

The chickens are now coming home to roost. We shall pay and pay heavily for the next generation for this foreign policy. But let the country know and let it know in unmistakable terms that this legacy is our heritage from the Democratic Party.

We Republicans are simply resuming our historic role. Here at home and overseas, we are pulling the Democratic chestnuts out of the international and national fires.

PERMISSION TO ADDRESS THE HOUSE

Mr. O'TOOLE. Mr. Speaker, I ask unanimous consent to address the House

for 1 minute and to revise and extend my remarks.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

STRONG ARMY AND NAVY

Mr. O'TOOLE. Mr. Speaker, the same elements in this House who were responsible for the unpreparedness of the country, who failed to give full support to the United States foreign policy, and who would today emasculate the Army and the Navy are the ones who are crying, "Get rough with Russia," and complaining about the actions of the State Department.

The American people know it is impossible to get tough with Russia or any other foreign nation and have a strong, vigorous diplomatic policy unless we have a large Army and a large Navy. Those eastern European nations fear nothing but force, and there can be no diplomatic success unless the gentlemen on the other side of the aisle insist that we have a strong Army and Navy to back up our State Department.

The SPEAKER. The time of the gentleman from New York [Mr. O'TOOLE] has expired.

EXTENSION OF REMARKS

Mr. McCORMACK asked and was given permission to extend his remarks in the RECORD and include an editorial in which is contained a poem written by James Patrick McGovern.

Mr. RANKIN. Mr. Speaker, I ask unanimous consent to extend my remarks in the RECORD and include an article from the American Legion Bulletin about this so-called AVC and this man Carlson, this slimy little Communist, who is writing books about America.

The SPEAKER. Is there objection to the request of the gentleman from Mississippi?

There was no objection.

[The matter referred to appears in the Appendix.]

URGENT DEFICIENCY APPROPRIATION BILL, 1947—CONFERENCE REPORT

Mr. TABER. Mr. Speaker, I call up the conference report on the bill (H. R. 1968) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1947, and for other purposes, and I ask unanimous consent that the statement be read in lieu of the report.

The Clerk read the title of the bill.

The SPEAKER. Is there objection to the request of the gentleman from New York [Mr. TABER]?

Mr. CANNON. Mr. Speaker, reserving the right to object, will opportunity be afforded for discussion of the conference report before the previous question is put?

Mr. TABER. Certainly.

The SPEAKER. Is there objection to the request of the gentleman from New York?

There was no objection.

The Clerk read the statement.

(For conference report and statement see proceedings of the House, March 10, 1947.)

Mr. TABER. Mr. Speaker, this conference report carries some emergency items that is, items that are necessary to meet the pay rolls of the different units of the Government and some of the obligations of the Veterans' Administration. The Veterans' Administration still has not been finished up and we will need further hearings to cover what is necessary on other items a little later.

With the exception of certain items relating to the Senate, items to which attention will be called later, the items in the bill relate to the OPA. Here we have agreed with the Senate upon an item of \$7,051,752, which is the exact amount they claim is required for the terminal leave to which the OPA employees will be entitled.

We have reduced the cut in the rescission end of the bill from \$9,000,000 to \$2,000,000, and in that we have made available to the OPA a very considerable sum of money, a sum of money which will unquestionably if they have honest administration—which they have not had so far—give them plenty of money with which to operate needed activities. They have a pay roll in Washington of 914 people drawing upward of \$4,000, and to perform their functions they need no more than a hundred. They have 850 drawing under \$4,000, and they need no more than a hundred. Out in the field they have an enormous number still left on law enforcement with nothing left except cases which should have been disposed of long, long ago or should have been turned over to the Department of Justice. You understand that these people do not try the cases. The cases, if any, are tried by the Department of Justice. These people would be able to maintain at least 5,000 people on the pay roll with what money we left, in my opinion, which is far more than they need to do a good job.

There is no question in my opinion but what this outfit should be wound up, but there is very serious question that the language goes far enough to actually accomplish that end. I hope it does. There is a provision on page 6 of the bill that it is the intent of Congress that the funds heretofore and herein appropriated shall include all expenses incident to the closing and liquidation of the Office of Price Administration and the Office of Temporary Controls by June 30, 1947.

Mr. Speaker, it seems to me that we have been extraordinarily liberal in providing funds for this agency. When they finished up their work, with the exception of sugar rationing, rent control, and one or two other small items, about the 7th of November, they had upward of 30,000 employees. They did not keep faith with the Congress and get rid of them promptly, as they should have, but kept most of them on until the 1st of December before giving them terminal notice. Then they spent a very large sum of money in December, and they have spent enormous sums since that time. For instance, they had on their rolls a week or two ago 125 economists in their Washington office, 147 accountants, 187 analysts, 168 attorneys, and an enormous number of other officers draw-

ing large salaries. They had 64 people with an average salary of about \$3,000 a year acting as a committee to obtain employment for the employees, with nothing else to do. They had a very large sum of money set up for a historical project with an enormous number of people working and doing a lot of other things on a much more elaborate scale than they could possibly be entitled to. These people I have listed had no substantial job on their hands that they needed to do. There is no question but what if they had managed the thing honestly they could have performed every single function that is up to them to perform.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. TABER. I yield to the gentleman from New York.

Mr. MARCANTONIO. Amendment No. 20, to which both the House and Senate agreed, specifically provides for the entire liquidation of the Office of Price Control on or before June 30; is that correct?

Mr. TABER. I wish it did, but I am afraid it does not.

Mr. MARCANTONIO. It says so specifically in the report the gentleman filed.

Mr. TABER. It does not. I read it to the gentleman, and if he had been listening he would have known that that is not correct.

Mr. MARCANTONIO. I have before me the printed language and may I call it to the gentleman's attention? It is printed in yesterday's RECORD, page 1936. Amendment No. 20 "rescinds \$2,000,000 of Price Administration funds instead of \$9,000,000 as proposed by the House and none as proposed by the Senate, with the proviso that the Office of Price Administration shall be entirely liquidated not later than June 30, 1947."

Mr. TABER. That is right. The gentleman is correct.

Mr. MARCANTONIO. That means the end of rent control unless other legislation is enacted by this Congress; is that not correct?

Mr. TABER. Well, the Office of Price Administration and its controls would expire at that time unless there was other legislation.

Mr. MARCANTONIO. I know, but the report provides for the liquidation of that office in its entirety.

Mr. TABER. Yes, that is right.

Mr. MARCANTONIO. That means, incidentally, also, that the remaining funds not rescinded here are for liquidating purposes, and primarily for liquidating purposes.

Mr. TABER. Certainly, they are partly for liquidating purposes.

Mr. MARCANTONIO. And that means liquidating the enforcement of rent control.

Mr. TABER. They have been getting it. The people can enforce their own rent control by the triple damage provision, in part, and they can do it much more effectively than it has been done, and they do not need these people who have done nothing but mess up the situation further.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield further?

Mr. TABER. Yes.

Mr. MARCANTONIO. I am not arguing with the gentleman as to the merits of continuing rent control. That is something on which we disagree. I am a firm believer in rent control. What I am trying to get agreement on from the gentleman is the effect of that amendment No. 20, which has been agreed to by both the House and the Senate conferees.

Mr. TABER. The effect of it is this—

Mr. MARCANTONIO. May I complete my statement, please? In view of the language calling for liquidation in its entirety, the gentleman must necessarily agree that that also calls for the liquidation of rent control.

Mr. TABER. Only if the Congress does not pass an act extending it, because rent control is not dependent on the continuance of the OPA. It is dependent upon the statute. There is no statute that runs beyond that time. The effect of this language is this, that it would require these people to take care of their terminal leave and their cleaning-up activities by the 30th of June. If the Congress desires to change the law and extend rent control after that date, that would be a matter for consideration at that time as to whether any further appropriations or funds should be made available for any governmental agency to continue to operate their functions.

Mr. Speaker, I now yield 10 minutes to the gentleman from Missouri [Mr. CANNON].

Mr. CANNON. Mr. Speaker, the conferees on this side of the aisle have signed this report with considerable doubt and some reluctance. But there is so much that is carried in the bill that is necessary and essential that it overshadows the questionable provisions to the extent that we are going along. We go, however, with reservations contingent upon assurances of the prompt enactment of legislation to provide for continuation of essential services discontinued in the pending bill.

Perhaps the principal item of interest in the bill is the precipitous liquidation of OPA. Before discussing the merits of the proposition, it may be noted in passing, Mr. Speaker, that this liquidation is effected through a legislative rider. I think there was no evil in our legislative machinery which was so decried and so castigated in the months of debate on the reorganization bill as the practice of legislating through riders on appropriation bills. By common consent it was branded as reprehensible, as the last resort of parliamentary depravity, and one of the outstanding provisions of the bill, one of the salient arguments in favor of the passage of the streamlined Reorganization Act in the House, was that its enactment would eliminate, once and for all, this unholy practice of legislating on appropriation bills.

The Reorganization Act was duly passed and is now in force, and yet we have here in the pending conference report provision for a drastic change in our economic machinery, to be effected through a rider on an appropriation bill. Thus the far-famed and highly publicized reorganization bill is, as usual,

being honored in the breach through total disregard of one of its most cherished provisions.

Mr. RANKIN. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Mississippi.

Mr. RANKIN. On yesterday we were discussing the bill providing funds for rural free delivery. I pointed out that the Post Office Department was complaining that although these extensions in the various communities throughout the country are being approved they do not have the funds to provide the service. Last night I took this proposition up with the Post Office Department and was informed that this proposition did not apply to the next fiscal year, but it is a deficiency appropriation that is needed now. May I ask the gentleman if there is anything provided in this bill to take care of those extensions of rural free delivery routes throughout the country, and if not, I should like to know what the prospects are for an additional deficiency bill. Can the gentleman give me that information or can the gentleman from New York answer the question?

Mr. TABER. There is nothing with reference to the Post Office Department that I remember of in this bill.

Mr. RANKIN. May I ask the gentleman from New York when he contemplates bringing out another deficiency bill?

Mr. TABER. There are items under hearing at the present time. The bill probably will be marked up either late this week or the first of next week. I cannot tell yet about that.

Mr. RANKIN. What I mentioned then, I will say to the gentleman from New York, is the fact that large numbers of rural free delivery routes have been extended, probably in almost every State of the Union, but they need a deficiency appropriation in order to put those extensions into effect. It seems to me that while we are taking care of everybody from Tokyo to Timbuctu we might look out for our farmers and see that those boys who were drafted into the service to fight the battle of the world at least are provided with mail service, along with other American citizens.

Mr. TABER. May I say to the gentleman that my attention was not called to that prior to this time, nor has the Post Office Department told me that that condition existed. But just as quickly as the committee is able, I will be glad to have hearings and I will notify the gentleman and give him an opportunity to be heard.

Mr. RANKIN. I thank the gentleman from New York [Mr. TABER,] as well as the gentleman from Missouri [Mr. CANNON.]

Mr. McCORMACK. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Massachusetts.

Mr. McCORMACK. There has been a great deal of interest in the school-lunch program. Of course, the budget recommendation is not before the committee as yet, but, as I understand, unless there is a deficiency appropriation, the program for the present fiscal year will expire on March 31. Would the gentle-

man from New York [Mr. TABER] advise me whether or not he favors a deficiency appropriation to continue this program until June 30?

Mr. TABER. The understanding was when the bill was passed and the appropriation provided that that would be all of the Federal contribution for the fiscal year. Personally, I do not think the Federal Government is in as good a position to pay for these lunches as the State governments and the municipalities. Therefore, I feel the State governments and municipalities should carry the burden. That is my personal position. I do not mean by that that if the bill should be passed increasing the authorization of the budget estimate come up that I would not afford the people interested a hearing.

Mr. McCORMACK. In other words the gentleman himself is opposed to the program?

Mr. TABER. I feel that it is a responsibility that can be met much more cheaply by the localities and that they are much better able to bear the burden than the Federal Government is at this time.

Mr. McCORMACK. In other words, the gentleman himself is opposed to the program?

Mr. TABER. I am, personally.

Mr. McCORMACK. I understand that of the \$75,000,000 appropriated, which I think was the amount, \$10,000,000 was for the purchase of equipment which, of course, we provided for in the authorization bill which passed the House last year. I understand that \$10,000,000 will probably carry the program until the end of June. I honestly disagree with my friend. I think the program serves a very useful purpose. The States are cooperating. Every State had to make their contribution, and certainly the contribution of some States is much more than that of the Federal Government.

Of course, the school-lunch program has been a means or source of invaluable assistance to our farmers, particularly with reference to moving their surplus crops.

The SPEAKER. The time of the gentleman from Missouri has expired.

Mr. TABER. Mr. Speaker, I yield 10 additional minutes to the gentleman from Missouri.

Mr. CANNON. Mr. Speaker, supplementing what has been said with reference to the school-lunch program, it is to be regretted that provision is not being made for a deficiency appropriation to continue the program for the remainder of the fiscal year. At the time of the establishment of this program, the assurance was given, or at least implied that the Federal Government, having initiated the service, would continue its support. Of course, all of us realize that if left to the States, or local units, neither is in position to provide all the funds needed for the complete administration of the program. The only hope of its maintenance is the continuance of Federal cooperation as heretofore. For us to abandon it at this critical time is not only to leave the impression that we are withdrawing assurance by the Fed-

eral Government and accepted by the States. But the abandoned program also leaves a large amount of equipment and specially designed and adapted facilities which has been provided in schools distributed throughout the country which cannot be utilized and which—unless it can be used in the school-lunch program—must necessarily be wasted.

Mr. Speaker, we are making large appropriations at this time for livestock. International cooperation for control of foot-and-mouth disease and hog cholera are being amply financed. Surely we can do something for the greatest crop in America, the children—in seeing that they are protected from a recurrence of conditions which, during the war, resulted in the rejection of a large percentage of our young men, due to anemia and undernourishment in their childhood years.

Mr. BROOKS. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Louisiana.

Mr. BROOKS. I subscribe to the fine sentiments which the gentleman has just indicated with reference to the school-lunch program. I think the Congress has, at least to some extent, encouraged the States to overspend. In the past when they have overspent we have made up the deficiency as we did last year. I understand we appropriated \$15,000,000 additional last year to make up the deficit. So I say we have encouraged the States to overspend in some respects, and I think we should continue this program.

Mr. CANNON. There has been a tacit understanding that, having initiated this program, the Federal Government would continue it.

Mr. MURDOCK. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Arizona.

Mr. MURDOCK. I agree with the gentleman heartily in the statement he has made. When I supported the move for eradication of the foot-and-mouth disease, as I did, I did not do that with the idea that I would block a better effort which we have heretofore put forth for the children of America.

Mr. CANNON. There is no reason why we should not take care of the health of both the livestock and the children.

Mr. FOLGER. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from North Carolina.

Mr. FOLGER. I wish to bring to the attention of the gentleman the fact that the cost of living to the school children has increased as it has to other people.

This has overtaken this school-lunch program, making it true that they will have to abandon it in this month unless the Federal Government supplements its former appropriations. It is a condition that has been brought about. The facilities may be used to carry it on, but it will be only for those who are able to pay for their lunches, and the others will get none. That is the situation.

Mr. CANNON. Experience has demonstrated that even the children from the wealthiest homes have shown immediate

improvement in physique and in scholarship as a result of this program. I trust the Committee on Appropriations will relent and agree to continue the program as heretofore.

Mr. SABATH. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from Illinois.

Mr. SABATH. Is it not a fact, as has been stated, that due to the increased cost of living, especially the cost of milk that goes into these school lunches, has brought about a situation where there is not sufficient funds for the program to be continued? Can the gentleman tell me who is responsible for the increased cost and for the shortage that now exists?

Mr. KEEFE. Mr. Speaker, a point of order. I do not know whether this is a private conversation or whether the rest of the House is involved in what is being said or not. I cannot hear what is being said. It seems to me we should know.

Mr. SABATH. I am pleased that the gentleman is interested in what I started to say and I hope he will take an interest in what I shall say.

Is it not true that destruction of OPA by the Republican party has brought about a 50-percent increase in the cost of living in only 6 months, and has increased the burden of the cost of school lunches to a point where the States and municipalities cannot carry it alone?

We must make some provision for these children.

The gentleman from Wisconsin [Mr. KEEFE], has offered criticism because I have continuously drawn attention to the sharp increase in living costs, and especially of food items, especially the rapid spiral since the November elections.

Nevertheless, he must admit that the school-lunch program was originally created to help the farmers. There were vast surpluses in danger of rotting in the granaries, and the people did not have the money to buy them. The school-lunch program was designed by a Democratic Administration to bring the cash from the cities and the crops of the farmers together, and help agriculture. Now farm prices are at the highest point in all history, and farmers for the first time are getting 120 percent of parity for their produce, and the plight of poor children who need the noontime lunches at reduced prices—not charity—is no concern of the gentlemen from the rich and prospering farm areas.

To deny this appropriation so desperately needed to continue the school-lunch program is indeed false economy, as is the elimination of appropriations for rent and sugar controls. We shall pay for this in the future.

Mr. CANNON. The sharp increase in cost of living immediately following curtailment of the activities of OPA demonstrates the truth of what the gentleman says.

Mr. MARCANTONIO. Mr. Speaker, will the gentleman yield?

Mr. CANNON. I yield to the gentleman from New York.

Mr. MARCANTONIO. If the gentleman will permit me, I would like to dis-

cuss amendment No. 20 and its implications. This amendment, in my opinion, definitely destroys rent control. It eliminates it. It calls for the liquidation of OPA in its entirety on or before June 30, 1947. There is no argument about that. The Division of Rent Control exists in OPA, which will be liquidated in its entirety under this amendment. It means the end of rent control. Now, you cannot come here and say that Congress may enact rent-control legislation later on and for that reason we must therefore provide for the liquidation of the Rent Control Division now. That is not the language of the friends of rent control; that is the language of the enemies of rent control. I think it is lamentable—and I do not mean this in personal criticism of my good friend from Missouri—I think it is lamentable that the members of the minority party signed this report which knifes to pieces the program for rent control as we have had it heretofore.

Mr. CANNON. Our agreement to this conference report, of course, was on the premise that immediate legislation would be drafted and enacted to preserve the essential benefits both of the rationing of sugar and the maintenance of the rent-control program.

I yield to the gentleman from Oklahoma [Mr. JOHNSON].

Mr. JOHNSON of Oklahoma. I should like to ask this question of the gentleman from Missouri—and I would ask it also of the Members of the other side of the House: I inserted in the RECORD of March 6 a telegram and a letter from the Governor of the State of Oklahoma pointing out that unless we have a deficiency appropriation for the school-lunch program affecting 180,000 school children in Oklahoma alone that it is going to die on March 31. I wish to ask this question of the Republican side of the House: Under the mandate that you talk about of last November 5, did you get a mandate to stop the school-lunch program in this Nation? Of course you did not.

Now, let us find out one other thing. I have never been too strong for deficiency appropriations in the main, but in a program like this where you are buying food and other commodities which have risen in cost since October of 1946 through no fault of the people who have to purchase this food I am going to ask you this one question—I will address it to the gentleman from New York: Is the gentleman's party willing to accept the responsibility for killing a program such as this?

Mr. TABER. Seventy-five million dollars was all that the Democratic party dared pass last June and go to the country on.

Mr. JOHNSON of Oklahoma. I will ask the gentleman whether he will support a deficiency appropriation now to carry on the school-lunch program for the rest of the fiscal year?

Mr. TABER. Have not the gentleman's people back home sufficient confidence in the school-lunch program to carry it on themselves and meet their own responsibility?

Mr. JOHNSON of Oklahoma. The State of Oklahoma, and the other States as well, are meeting their proportionate share. That I take is a complete answer.

The gentleman's position is that he is not willing to carry it on. I want the people of this Nation and the people back in Oklahoma to know that this is the way the gentleman's party is carrying out the mandate that was given them last fall. I do not believe the gentleman's party got any mandate to kill such a program as this.

Mr. CANNON. Mr. Speaker, I yield to the gentleman from Massachusetts.

Mr. McCORMACK. I might say to the gentleman from Oklahoma that the gentleman from New York [Mr. TABER] has frankly admitted his opposition to this program. Knowing the gentleman as I do I make this observation, that we Democrats can be proud of the fact that we put it into the law. The Republicans are going to destroy it.

Mr. ALBERT. Mr. Speaker, I want to endorse the remarks of my friend and colleague from Oklahoma [Mr. JOHNSON], with reference to the school-lunch program. I know that I came here under a mandate from the people of my part of Oklahoma to continue this very important project.

Furthermore, while on this subject of deficiency appropriations, I want to urge that the next deficiency bill provide sufficient funds to carry on our Indian schools, hospitals, and other services at their present levels.

Mr. BECKWORTH. Mr. Speaker, I wish to state that I have always supported the school-lunch program. I feel from personal observation it has been very helpful to many of the school children of Texas. I would regret very much to see this program handicapped. For 3 years I taught at rural schools and at times I have observed children who did not have proper food at noon time. I think this is unfortunate with reference to any child any time and should not be tolerated. The school-lunch program takes care of such a situation. The program should not be discontinued or handicapped in any way.

Mr. CANNON. Mr. Speaker, the protection of the public against inflation in the price of the necessities of life, in time of war, is fundamental. And that is particularly true of rents—and to only slightly lesser degree in the distribution of such staples as sugar. We are advised by those in a position to know that but for the control and rationing of sugar during the war years the price would have risen to something like 70 cents per pound, and the channels of supplies so monopolized by confectioners, distillers, soft-drink processors, and other large industrial users that the average housewife would have been entirely deprived of sugar most of the time. Due to devastation of sugar-producing areas in the Philippines, the East Indies, and other sugar-manufacturing centers the recovery of the industry has been delayed that the world supply is still tragically short. In order to insure each family having its proportional supply it has been necessary to continue rationing, and will be necessary to continue rationing in the future, until normal supplies are available.

Likewise, war conditions require the control of rents in order to avoid intolerable conditions which would otherwise skyrocket housing costs to a figure

which would so seriously hamper the mobilization of labor in industrial centers as to threaten the success of the war program. Due to lack of construction of the normal increase in housing during the war, rent control also is necessary in the reconversion period pending resumption of construction and the provision of necessary housing throughout the Nation.

The bill now before the House liquidates all OPA control of both rents and foods, including sugar, by June 30, 1947. This means discontinuation of enforcement as of April 30. It is true that proponents of this summary conclusion of OPA activities insist that sufficient funds have been provided to continue enforcement to June 30. But the facts are otherwise. Here is a comment in this morning's Washington Daily News:

Your Government reporter learns—

That OPA, after several weeks of indecision while Congress debated its appropriation bill, now is making definite plans to fold up by April 30.

This is an authoritative report on actual conditions. It leaves us in the analogous position of having a rent-control law on the statute books until June 30 but no administrative agency and no means of enforcement after April 30. Unless prompt steps are taken to provide for the hiatus, we will be without rationing and control through May and June. It was only on the assurance that legislation is already being drafted to continue the rationing of sugar through the Department of Agriculture and the control of rents through the Department of Commerce, or other competent agency, that we have signed the conference report and are supporting this bill.

It is to be hoped that there will be no unnecessary delay in the enactment of this emergency legislation.

The SPEAKER. The time of the gentleman from Missouri has expired.

Mr. CANNON. Mr. Speaker, will the gentleman from New York give me 5 minutes to complete my presentation?

Mr. TABER. I have not very much time left and I have other commitments. I am sorry. I yield 5 minutes to the gentleman from Wisconsin [Mr. KEEFE].

Mr. KEEFE. Mr. Speaker, the field day which has been indulged in over the question of the school-lunch program is indicative of what we may expect during the rest of the legislative year. I was here when the school-lunch program was inaugurated. The plea of the gentleman from Massachusetts, the gentleman from Illinois, and the gentleman from Missouri—the latter being the great economy-minded gentleman of the Congress—then was, that we were confronted with agricultural surpluses and one of the splendid ways to get rid of those agricultural surpluses was to have the school children of America eat them up. That was the justification for the program when it started. Now, with that beginning it has grown into a permanent program of some stature. There were \$75,000,000 appropriated last year to carry on this program that the gentleman from Oklahoma went into such ecstasies about. As a matter of fact, I

may say to the gentleman from Oklahoma that in my State we had a school-lunch program long before the New Deal was ever thought of. I do not suppose you ever had that sort of an idea down in Oklahoma and some of these other States. However, the States of this Union and the municipalities that comprise those States are fully able to maintain and to finance a school-lunch program. They have the equipment now that can be used, and it will be used.

What you are in effect saying is that the States of this Union, which as a whole make up these United States, will not carry on this great magnanimous, magnificent program which you gentlemen say is going to keep the children of this Nation alive. They are going to let it die. The only way you can keep it alive, according to them, is for the Federal Government to step in and finance it and send the charge back to the same States with a clip-off at the Federal end of it for handling the transaction.

My friend from Missouri should not play both sides of the street. We either ought to stand for a program of economy or we ought to stand for the program that has so long represented the New Deal—a spending program. Either we are going to get on to this economy program or we are not. It will not do for the gentleman from Missouri or some one else to stand up here and talk economy one day out of one side of his mouth and the next day stand up here and preach for this program or that program which means another very large sum of money which the States and the municipalities are perfectly able to take care of themselves. May I say to the gentleman from Oklahoma that the question facing the people of this country is simply this: Are we going to put back into the hands of the States and the people of the States the responsibility that is theirs?

Mr. Speaker, I sometimes wonder how I ever grew up. I wonder how I ever got this stature. I lived in a period when we did not have the school-lunch program. I wonder how I ever got through it. I wonder how you people who are out there ever got to grow up at all without somebody spoon-feeding you out of the Federal Treasury. It seems to me it is time we begin to get back to certain fundamentals and have the Government do the things that the Government ought to do here in Washington and let the local people do the things they ought to do and that they are equipped and are able to do and in most good communities want to do, may I say.

Mr. CASE of South Dakota. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from South Dakota.

Mr. CASE of South Dakota. May I make the observation that the gentleman did a pretty good job in growing up. He must have got plenty of lunches.

Mr. KEEFE. I got plenty of lunches and, may I add, we went out and did some work for some of those lunches. We knew how to work. The trouble is today nobody wants to work; everybody

wants to have everything handed to him. It is a great thing to stand up here and raise your voice and picture the poor little children who are starving. The gentleman from Illinois stands up here and tells us that the prices are going up due to OPA being taken off, when he knows as well as I know, and so does the gentleman from Missouri and the gentleman from Massachusetts know as well as I know, that you have the Commodity Credit Corporation representing the United States Government in every market in this Nation bidding the price of wheat up, competing against the miller, bidding the price of wheat up to \$2.75 a bushel in order that we might carry out our commitments to feed the entire world.

The SPEAKER. The time of the gentleman from Wisconsin has expired.

Mr. TABER. Mr. Speaker, I yield the gentleman four additional minutes.

Mr. KEEFE. And, as long as that situation continues, and as long as a nation that for 25 years has never been able to completely feed itself and has been on a food-importing basis, as long as that nation attempts to feed the people of the world, you may expect that with Uncle Sam in the market places competing with the millers and private producers, that prices are going to rise. They are going to get higher; make no mistake about it.

This is a pretty critical situation that is facing this country, and you will be sobered up tomorrow when our President makes his speech from this rostrum. You will not be treating this so facetiously and laughing about it, as some of you are doing now. It is pretty serious business, and no one knows it better than the gentleman from Massachusetts and the gentleman from Missouri, who attended the President's conference up at the White House. This is not anything to laugh about, and I want to tell the gentleman from Illinois that it does him no credit to try to throw every one of these discussions into a pure political discussion.

The salvation of our country is not a political question, and you gentlemen are going to have a hard time to join hands with us to save this country, and you know it, and yet on every one of these bills that come out here you make a field day of political discussion, injecting a lot of silly politics in it in order to accuse the Republicans of doing something bad.

Now, I will tell you what you are going to have to do. You are going to have to assume your responsibility in this world picture or not assume it, and if you do, prices are going to continue to rise, and the gentleman from Illinois or anybody else like him ought to tell the people of America the truth. These rising prices are not to be related to OPA. They are rising because America is attempting to feed the world out of a stock that never was designed for such purposes, and your Commodity Credit Corporation is in the market places bidding against local millers and local producers for that diminishing supply of goods.

The SPEAKER. The time of the gentleman from Wisconsin has again expired.

Mr. TABER. I yield the gentleman one additional minute.

Mr. CANNON. Mr. Speaker, will the gentleman yield?

Mr. KEEFE. I yield to the gentleman from Missouri.

Mr. CANNON. I should like to call the attention of my distinguished—

Mr. KEEFE. "The admiral from Wisconsin," as the gentleman called him one day.

Mr. CANNON. My distinguished and able and trusted friend from Wisconsin. He speaks of the President as "my" President. I trust he means "our" President.

Mr. KEEFE. I mean he is my President, and I so stated. He is going to come here tomorrow and tell you the truth, and you had better get ready for it, instead of standing up here and carrying on these piddling politics while the country is collapsing around our ears and while the whole world threatens to collapse. I am sick of it as far as I am concerned. We had better get along with our business instead of having these little piddling arguments while the whole world burns and is looking for action.

Mr. CANNON. There are 10 minutes remaining of the hour. I ask the gentleman from New York to yield me 5 minutes of the 10.

Mr. TABER. Mr. Speaker, I yield 1 minute to the gentleman from New York [Mr. JAVITS].

Mr. JAVITS. Mr. Speaker, I rise to draw the attention of my colleagues to the critical necessity for continuing adequate rent-control administration and Federal rent control until June 30, 1948. This job must be carried on effectively, now, until there is new legislation turning it over to an agency other than OPA. A break-down at this time will incur consequences of the utmost gravity to my constituents and to millions of other Americans. After World War I rents shot up 50 to 75 percent and evictions multiplied, because there were no controls. With the cost of living now over 60 percent higher than in 1939, the people of moderate income cannot stand the strain. It would be felt in a galloping inflation and in labor strife.

Mr. Speaker, as far as housing is concerned, the war is still on. We may be reducing here several million dollars for OPA over what the Senate provided, but I do not believe that my constituents can afford that kind of economy. This is a regrettable conclusion for me as there are other provisions of this report which I favor very much.

Mr. TABER. Mr. Speaker, I move the previous question.

The previous question was ordered.

The SPEAKER. The question is on the conference report.

The question was taken; and the Speaker announced that the ayes appeared to have it.

Mr. MARCANTONIO. Mr. Speaker, I object to the vote on the ground that a quorum is not present and make the point of order that a quorum is not present.

The SPEAKER. The Chair will count. [After counting.] Two hundred and two Members are present, not a quorum.

The Doorkeeper will close the doors, the Sergeant at Arms will notify absent Members, and the Clerk will call the roll.

The question was taken; and there were—yeas 342, nays 49, not voting 41, as follows:

[Roll No. 19]

YEAS—342

Abernethy	Devitt	Jones, N. C.
Albert	D'Ewart	Jones, Ohio
Allen, Calif.	Dirksen	Jones, Wash.
Allen, Ill.	Dolliver	Jonkman
Allen, La.	Domengeaux	Judd
Almond	Dondero	Kean
Andersen,	Dorn	Kearney
H. Carl	Doughton	Kearns
Anderson, Calif.	Drewry	Keating
Andresen,	Durham	Kee
August H.	Eaton	Keefe
Andrews, Ala.	Elliott	Kerr
Andrews, N. Y.	Ellis	Kersten, Wis.
Angell	Ellsworth	Kilburn
Arends	Elsaesser	Kilday
Arnold	Elston	Kunkel
Auchincloss	Engel, Mich.	Landis
Bakewell	Engle, Calif.	Latham
Banta	Evins	Lea
Barrett	Fallon	LeCompte
Bates, Ky.	Fenton	Lemke
Battle	Fernandez	Lewis
Beall	Fisher	Lodge
Beckworth	Flannagan	Love
Bender	Fletcher	Lucas
Bennett, Mich.	Folger	Lusk
Bennett, Mo.	Foot	Lyle
Bishop	Forand	McConnell
Blackney	Fulton	McCowan
Bland	Gamble	McDonough
Boggs, Del.	Gary	McDowell
Boggs, La.	Gathings	McGarvey
Bolton	Gavin	McGregor
Bonner	Gcarhart	McMahon
Boykin	Gifford	McMillan, S. C.
Bradley, Calif.	Gillette	McMillen, Ill.
Bradley, Mich.	Gillie	MacKinnon
Bramblett	Goff	Macy
Brehm	Goodwin	Mahon
Brooks	Gore	Maloney
Brophy	Gossett	Manasco
Brown, Ga.	Graham	Mansfield, Tex.
Brown, Ohio	Grant, Ala.	Martin, Iowa
Bryson	Grant, Ind.	Mason
Buck	Gregory	Mathews
Buffett	Griffiths	Meade, Md.
Burke	Gross	Morrow
Burleson	Gwynn, N. Y.	Meyer
Busbey	Gwynne, Iowa	Michener
Butler	Hagen	Miller, Calif.
Byrnes, Wis.	Hale	Miller, Conn.
Camp	Hall	Miller, Md.
Canfield	Edwin Arthur	Miller, Nebr.
Cannon	Hall	Mills
Carson	Leonard W.	Mitchell
Case, N. J.	Halleck	Monroney
Case, S. Dak.	Hand	Morris
Chadwick	Hardy	Morrison
Chelf	Harris	Morton
Chenoweth	Harrison	Muhlenberg
Chlperfield	Hays	Mundt
Church	Hébert	Murray, Tenn.
Clason	Hedrick	Murray, Wis.
Clements	Hendricks	Nixon
Clevenger	Herter	Nodar
Clippinger	Heselton	Norblad
Coffin	Hill	Norman
Cole, Kans.	Hinshaw	O'Hara
Cole, Mo.	Hobbs	O'Konski
Colmer	Hoeven	Owens
Combs	Hoffman	Pace
Cooley	Holmes	Passman
Cooper	Hope	Patman
Corbett	Horan	Patterson
Cotton	Howell	Peden
Coudert	Hull	Peterson
Courtney	Jackson, Calif.	Phillips, Calif.
Cox	Jarman	Phillips, Tenn.
Crawford	Jenison	Pickett
Crow	Jenkins, Ohio	Ploeser
Cunningham	Jennings	Plumley
Curtis	Jensen	Poage
Dague	Johnson, Calif.	Potts
D'Alesandro	Johnson, Ill.	Poulson
Davis, Ga.	Johnson, Ind.	Preston
Davis, Tenn.	Johnson, Okla.	Price, Fla.
Dawson, Utah	Johnson, Tex.	Priest
Deane	Jones, Ala.	Rains

Ramey	Scott, Hardie	Thomas, Tex.
Rankin	Scott,	Thomason
Rayburn	Hugh D., Jr.	Tibbott
Redden	Scrivner	Tollefson
Reed, N. Y.	Seely-Brown	Towe
Reeves	Shafer	Trimble
Rich	Sheppard	Twyman
Richards	Slkes	Vail
Rlehlman	Simpson, Ill.	Van Zandt
Riley	Simpson, Pa.	Vinson
Rivers	Smith, Kans.	Vorys
Rizley	Smith, Maine	Vursell
Robertson	Smith, Ohio	Wadsworth
Robson	Smith, Wis.	Welchel
Rockwell	Snyder	West
Rogers, Fla.	Springer	Wheeler
Rogers, Mass.	Stanley	Whitten
Rohrbough	Stefan	Whittington
Ross	Stevenson	Williams
Russell	Stigler	Wilson, Ind.
Sadlak	Stockman	Wilson, Tex.
St. George	Stratton	Winstead
Sanborn	Sundstrom	Wolcott
Sarbacher	Taber	Wolverton
Sasscer	Talle	Worley
Schwabe, Mo.	Taylor	Youngblood
Schwabe, Okla.	Teague	Zimmerman
Scoblick	Thomas, N. J.	

NAYS—49

Blatnik	Havenner	Marcantonio
Bloom	Holifield	Morgan
Buchanan	Huber	Murdock
Carroll	Jackson, Wash.	O'Brien
Celler	Javits	O'Toole
Crosser	Karsten, Mo.	Philbin
Delaney	Kefauver	Powell
Dingell	Kennedy	Price, Ill.
Donohue	Kirwan	Rabin
Douglas	Klein	Rafield
Eberharter	Lane	Rooney
Fogarty	Lanham	Sabath
Gordon	Lynch	Sadowski
Gorski	McCormack	Smathers
Granger	Madden	Spence
Harless, Ariz.	Mansfield,	Walter
Hart	Mont.	

NOT VOTING—41

Barden	Gallagher	Meade, Ky.
Bates, Mass.	Gerlach	Norrell
Bell	Harness, Ind.	Norton
Buckley	Hartley	Pfeifer
Bulwinkle	Heffernan	Reed, Ill.
Byrne, N. Y.	Hess	Rees
Chapman	Jenkins, Pa.	Short
Clark	Kelley	Smith, Va.
Cole, N. Y.	Keogh	Somers
Cravens	King	Welch
Dawson, Ill.	Knutson	Wigglesworth
Feighan	Larcade	Wood
Fellows	LeFevre	Woodruff
Fuller	Lesinski	

So the conference report was agreed to. The Clerk announced the following pairs:

On this vote:

Mr. LeFevre for, with Mr. Dawson of Illinois against.

Mr. Fuller for, with Mr. Keogh against.

Mr. Hess for, with Mr. Kelley against.

Mr. Wood for, with Mr. Pfeifer against.

Mr. Hartley for, with Mr. Byrne of New York against.

Mr. Wigglesworth for, with Mr. Heffernan against.

Mr. Woodruff for, with Mr. King against.

General pairs until further notice:

Mr. Bates of Massachusetts with Mr. Feighan.

Mr. Knutson with Mrs. Norton.

Mr. Harness of Indiana with Mr. Larcade.

Mr. Fellows with Mr. Lesinski.

Mr. Gallagher with Mr. Somers.

Mr. Short with Mr. Barden.

The result of the vote was announced as above recorded.

The doors were opened.

A motion to reconsider was laid on the table.

~~PERSONAL ANNOUNCEMENT~~

Mr. FLANNAGAN. Mr. Speaker, I desire to announce the absence of the gen-

tleman from Virginia [Mr. SMITH] due to a death in his family, and state that he will be absent during the remainder of the week.

EXTENSION OF REMARKS

Mr. CANNON. Mr. Speaker, I ask unanimous consent that the gentleman from Oklahoma [Mr. ALBERT] and the gentleman from Texas [Mr. BECKWORTH] be permitted to extend their remarks in the RECORD immediately following the remarks of the gentleman from Oklahoma [Mr. JOHNSON].

The SPEAKER. Is there objection to the request of the gentleman from Missouri?

There was no objection.

Mr. COLMER asked and was given permission to extend his remarks in the RECORD and include an editorial.

Mr. BRYSON asked and was given permission to extend his remarks in the RECORD and include a speech by Colonel Smith and a speech delivered by himself.

Mr. PLUMLEY asked and was given permission to extend his remarks in the RECORD.

Mr. BRADLEY of Michigan asked and was given permission to extend his remarks in the RECORD and include some correspondence.

EDUCATIONAL AND RECREATIONAL FACILITIES

Mr. WOLCOTT. Mr. Speaker, I ask unanimous consent that the Committee on Banking and Currency be discharged from further consideration of the bill (H. R. 2473) to authorize the transfer without charge to the States and their political subdivisions of all interest of the United States in educational and recreational facilities acquired under the Act of October 14, 1940, as amended, and that the bill be referred to the Committee on Public Works.

The SPEAKER. Is there objection to the request of the gentleman from Michigan?

There was no objection.

TREASURY AND POST OFFICE DEPARTMENTS APPROPRIATION BILL, 1948

Mr. CANFIELD. Mr. Speaker, I move that the House resolve itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill (H. R. 2436) making appropriations for the Treasury and Post Office Departments for the fiscal year ending June 30, 1948, and for other purposes.

The motion was agreed to.

Accordingly the House resolved itself into the Committee of the Whole House on the State of the Union for the further consideration of the bill H. R. 2436, with Mr. MICHENER in the chair.

The Clerk read the title of the bill.

The CHAIRMAN. When the Committee rose on yesterday the first paragraph of the bill had been read.

The Clerk will read.

The Clerk read as follows:

Salaries: For personal services in the District of Columbia, including the operating force of the Treasury Building, the Treasury Annex, the Liberty Loan Building, the Auditors' Building, and the west and south annexes thereof, \$650,000.

Mr. RANKIN. Mr. Chairman, I move to strike out the last word.

Mr. Chairman, on yesterday while the gentleman from Virginia [Mr. GARY] was speaking, I interrupted him to ask about the funds for the extension of rural mail routes. I told him it was my understanding that a large number of these extensions had been provided and that no funds were available to put those extensions into operation.

After the Congress adjourned I got in touch with the Post Office Department and was informed that those shortages could not be covered by this bill, because this is the appropriation measure for the fiscal year 1948, and funds must be provided in a deficiency bill if these short extensions in the various sections of the country are to be made.

I make this statement because of the fact that the debate on yesterday would leave the impression that these deficiencies could be taken care of by amendment to the present bill. But that is not the case. These funds must be provided, if they are to be provided at all, in a deficiency bill.

I call this proposition to the attention of the Members to clear the record on that point.

Mr. EBERHARTER. Mr. Chairman, will the gentleman yield?

Does the gentleman mean the funds for the period from now until June 30 of this year?

Mr. RANKIN. That is right.

Mr. EBERHARTER. How about the regular funds for the fiscal year 1948? Are they provided for in this bill?

Mr. RANKIN. They told me they thought the funds provided in the present bill would be sufficient for the next fiscal year. If not, a deficiency bill could be brought in in the next session.

But all over this country, in every agricultural section, extensions of rural mail routes have been provided. They have been surveyed and approved, but the Department does not have the money to put them into operation.

So I just want to serve notice now that when the next deficiency bill comes before the House the distinguished gentleman from New York [Mr. TABER], chairman of the Committee on Appropriations, has promised me an opportunity to appear before the committee in favor of an item to take care of those extensions. My position has been, as you all know, that if we provide mail for one man, we should provide it for all. It is my contention that we should extend a mail route and a rural power line to every farmhouse in America. I will make only this limitation: I will say to every house that can be found by the tax gatherer in times of peace or that can be reached by the draft in time of war.

There is no reason for us to pinch pennies on rural mail routes and on rural electrification and then spend the billions of dollars that America is called upon to contribute to other sections of the world.

Nothing that I can think of will do more to strengthen this country than to provide mail service and electric power service to every farm home in this country.

I shall continue my efforts toward the attainment of that end.

The Clerk read as follows:

Refunding internal-revenue collections: For refunding internal-revenue collections, as provided by law, including the payment of claims for the prior fiscal years and payment of accounts arising under "Allowance or drawback (Internal Revenue)," "Redemption of stamps (Internal Revenue)," "Refunding legacy taxes, act of March 30, 1928," "Repayment of taxes on distilled spirits destroyed by casualty," and "Refunds and payments of processing and related taxes," \$1,231,000,000. *Provided*, That a report shall be made to Congress by internal-revenue districts and alphabetically arranged of all disbursements hereunder in excess of \$500 as required by section 3 of the act of May 29, 1928 (sec. 3776, I. R. C.), including the names of all persons and corporations to whom such payments are made, together with the amount paid to each.

Mr. GORE. Mr. Chairman, I offer an amendment, which I send to the desk.

The Clerk read as follows:

Amendment offered by Mr. GORE: On page 12, in line 20, strike out "\$1,231,000,000" and insert "There is hereby appropriated such amount as may be necessary for prompt payment of tax refunds."

Mr. CASE of South Dakota. Mr. Chairman, I reserve a point of order on the amendment.

The CHAIRMAN. The gentleman from Tennessee [Mr. GORE] is recognized for 5 minutes.

Mr. GORE. Mr. Chairman, withholding taxes are now being withheld from the pay rolls of 55,000,000 American citizens. Those taxes are being withheld not at the rates which some future tax bill may fix. Those taxes are being withheld at the rate of the present tax law.

The principal reason which the committee assigns for its guess that there will be less claim for tax refunds can be found on page 16 of the committee report. Please understand I am not endeavoring to criticize the members of the committee. They have undoubtedly done a conscientious job, and they worked hard. Nevertheless, it behooves the Members of the House to examine any innovation, to examine any guess, to determine for themselves the rightness of the course. I would like to read to you at least one of the reasons they give. They say: "Coupled with the expectation of several million less taxpayers filing as a result of prospective changes in the tax laws, it is felt that the reduced figure would more nearly approximate the amount required."

Let us see how that operates. There are 55,000,000 taxpayers from whom withholding taxes are now being withheld. If we cut 20 percent of them off what is the result? We do not decrease the number of claimants for tax refunds, we increase it. As a matter of fact, 30,500,000 taxpayers in the last fiscal year filed claims for refund; so we cannot escape the conclusion that the reasoning and the logic behind this statement is inaccurate. The very opposite will be the effect.

Through my amendment I am offering to put into the bill the language which has been in the bill since the enactment of the withholding tax law. Originally

DIGEST OF
CONGRESSIONAL PROCEEDINGS
OF INTEREST TO THE DEPARTMENT OF AGRICULTURE

OFFICE OF BUDGET AND FINANCE
Legislative Reports and Service Section
(For Department staff only)

Issued March 13, 1947
For actions of March 12, 1947
80th-1st, No. 47

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HIGHLIGHTS: Senate committee reported measure to continue sugar controls (Record does not indicate whether controls would be transferred to USDA). Senate committee reported bill to provide for six-months' extension and final liquidation of farm-labor program. Senate agreed to conference report on urgent deficiency appropriation bill, which rescinds various USDA items.

SENATE

1. SUGAR CONTROLS. The Banking and Currency Committee reported with amendments S.J.Res. 58, to extend the powers and authorities under certain statutes with respect to the distribution and pricing of sugar (S.Rept. 50) (p. 2024).
2. FARM-LABOR SUPPLY PROGRAM. The Agriculture and Forestry Committee reported with amendment H.R. 2102, to provide for a six-month extension and final liquidation of the farm-labor supply program (S. Rept. 52) (p. 2025).
3. URGENT DEFICIENCY APPROPRIATION BILL. Agreed to conference report on this bill, H.R. 1968, which rescinds various USDA appropriations and expresses the intent of Congress that OPA be liquidated by June 30, 1947 (pp. 2031-4). This bill will now be sent to the President.
4. FOREIGN RELIEF. The Foreign Relations Committee reported with amendments S.J. Res. 77, providing for membership and participation by the U.S. in the International Refugee Organization (S.Rept. 51) (p. 2025).
5. DAYLIGHT-SAVING TIME. The District of Columbia Committee reported without amendment S. 736, to establish daylight-saving time in D.C. during 1947 (p.2025).
6. NATURAL RESOURCES. Sen. McCarran, Nev., spoke in favor of his bill, S. 35, to provide for an inventory of natural resources and inserted Pathfinder magazine and U.S. News articles favoring such an inventory (pp. 2027-8).
7. FOREIGN TRADE. Received a Kansas Legislature resolution urging the removal of export controls on agricultural products (p. 2023).
8. RURAL ELECTRIFICATION. Received a Minn. Electric Cooperative resolution urging the continuation and expansion of the rural-electrification program (p.2024).

9. RECESSED until Fri., Mar. 14 (p. 2068).

HOUSE

10. FOREIGN RELATIONS. Both Houses heard the President's message on the Greek situation (pp. 1998-2000).

11. COPPER IMPORTS. Passed H.R. 2404, to suspend certain copper-import taxes (pp. 2001-17).

12. RUBBER. The Armed Services Committee reported with amendment H.J.Res. 118, to maintain an adequate domestic rubber-producing industry (H.Rept. 141) (p. 2020)

13. REC REPORT for Aug. 1946 was received (p. 2020).

BILLS INTRODUCED

14. PERSONNEL. H.R. 2521, by Rep. Miller, Calif., to amend the Civil Service Act to remove certain discrimination with respect to the appointment of persons having any physical handicap to positions in the classified civil service. To Post Office and Civil Service Committee. (p. 2020.)

15. PRICE CONTROL. H.R. 2522, by Rep. Peterson, Fla., to provide certain limitations on penalties or liabilities arising out of Emergency Price Control Act and certain other acts, when the violations on which such penalties or liabilities were incurred were not willful. To Banking and Currency Committee. (p. 2020.)

16. EDUCATION. H.R. 2525, by Rep. Morrison, La., to authorize the appropriation of funds to assist the States and Territories in financing a minimum foundation education program of public elementary and secondary schools, etc. To Education and Labor Committee. (p. 2021.)

17. PERSONNEL. H.Res. 143, by Rep. Powell, N.Y., directing the Education and Labor Committee to conduct an investigation with respect to (1) the exclusion of Negroes as patrons of the public portions of the restaurants and cafeterias in the U.S. Government buildings in D.C. and (2) the exclusion of Negro employees as patrons of the restaurants and cafeterias in the U.S. Government buildings in D.C. To Rules Committee. (p. 2021.)

18. SUGAR. S. 869, by Sen. Bricker, Ohio (for himself and Sen. McCarthy, Wis.), to extend the powers and authorities under certain statutes with respect to the pricing of sugar, to eliminate rationing of sugar, and to provide for certain inventory controls over sugar. To Banking and Currency Committee. (p. 2025.)

19. FLOOD CONTROL. S. 877, by Sen. Brewster, Maine, authorizing a preliminary examination and survey of the Arcostook River and its tributaries for flood control and other purposes. To Public Works Committee. (p. 2025.)

20. GRAZING LANDS. S. 881, by Sen. Ecton, Mont., to provide for the leasing of restricted Indian lands under the supervision of the Crow Indian Agency in Mont., and for the limitation of the establishment and size of grazing and range unit thereon. To Public Lands Committee. (p. 2025.)

ITEMS IN APPENDIX

21. SCHOOL-LUNCH PROGRAM. Rep. Forand, R.I., inserted a Woonsocket (R.I.) Call article favoring continuation of the school-lunch program (pp. A1050-1).

dition as such, electing to decide in their own wisdom from time to time whether any person should have more than two terms, or whether, instead, they prefer to place such a provision in the Constitution.

When it came to the floor of this body, I was disturbed because of what seemed to me, although my judgment may be wrong about the matter, to be three trouble-making provisions. The first was the one requiring submission to conventions, which it seemed to me would not be economical, and which might result in the amendment not being ratified simply because of a failure to call the conventions, if in as many as 13 State legislatures there were politically minded people who could prevent calling of them. But, above all, it seemed to me that it would call for a period of political harangue, political discussion, and political convulsion which I think would be inappropriate in the particular times through which we are now passing. So I am glad the Senate has omitted that provision. Two other provisions of the measure now before the Senate I believe to be objectionable—and I make this point without any question as to their being based on partisan politics or anything of the kind. One of them, which I have already mentioned, is with reference to its effect upon Vice Presidents. The other, which I shall now mention briefly, is that both the original joint resolution and the amendment in the nature of a substitute offered by the distinguished Senator from Ohio would so operate, I think, under the conditions stated in the amendment, as to make a person entirely ineligible for reelection, even though he might not have served in the immediate past as President of the United States.

Mr. President, if I correctly understand the demand which has persisted for so many years that the Washington tradition be engrafted upon the Constitution, it has been upon the basis that a President might adopt a course which would be calculated to keep him in office, and might build up political machinery which would enable him to be reelected. If that be the objection and if that be a sound argument for the submission to the people of a constitutional amendment based on the Washington tradition, and if they are in favor of writing it into the Constitution, I submit that the objective is met entirely by the amendment offered by the distinguished Senator from Washington; for, if that amendment were agreed to, it would operate only to prevent succession in office after a President had served two full terms.

I call the attention of the Senate to the fact that these are troublous times. We have just heard an address delivered by the President, who, I am sure, had the sympathy of every one of us, regardless of how we may decide upon the momentous issues with which he was dealing. Everything he said and everything in connection with that historic occasion at the other end of the Capitol, from which we have just returned, served to accentuate the fact that we are living in difficult times and will continue so to live for many years in the future.

I call the attention of the Senate, without applying it particularly to either one party or the other, to the fact that young men, brilliant men, able statesmen, are now offering themselves or are being suggested by others as candidates for the Presidency. Indeed, they are so young that if they served for eight full years, as would be provided if the Washington tradition were written into the Constitution, they would still be in their late forties or their early fifties and would still be available to the call of the Nation after having returned to civil life for 4 years.

Mr. President, with our knowledge of the fact that this is becoming a young man's world and the actual fact that young men of proved ability and high qualities of leadership are offering and are available for the Presidency, I do not think we should adopt a course which would preclude recalling, after a vacation, such a young man who has been ripened and matured by the experience of 8 years in the White House, if there were great need for him.

Personally, I hope to vote for this amendment, and I shall do so if the amendment of the Senator from Washington is adopted; but I want to say to the distinguished Senators who favor this amendment that they are simply adding additional objections which will make for further difficulty in connection with the consideration of the amendment by the people of the States, if they insist upon the Taft substitute. I hope, Mr. President, that the issue may be clarified, may be simplified, and may be submitted as merely one proposition so that we may ascertain whether the people of the Nation wish to have the Washington tradition remain such, or want it included in the Constitution of the United States.

Reference has been made several times in the course of this debate to provisions of State constitutions which prevent succession to the governorship after either one term or two terms or three terms. There may be others, but I am familiar with these three different requirements in various States.

I call attention to the fact that in no case, if we make that comparison, have the people of a sovereign State ruled that a man who has served them as governor shall become by reason of that fact ineligible to ever succeed to that responsibility or to ever be called to lead them again in the governor's chair, whereas the result of this amendment as offered by the committee and of the substitute amendment offered by the distinguished Senator from Ohio would be to render persons of experience, of high, proved qualities, ability, and courage, wholly ineligible, regardless of conditions and regardless of their age and strength.

I call attention to the fact that we have right here in the Senate men who have served as governors of their States and who have taken the enforced vacations which were provided for under the constitutions of their respective States, and then have been called back to serve again as governors. Out of the abundance of material which is going to be produced by this Nation in the future, and which is already being produced—

and I can look at both sides of this Chamber and see able Senators who would come within that classification—I think we shall have young men offering for the Presidency and, at times, elected to the Presidency. So, I should hate to see a limitation imposed which would prevent the Nation from having the same advantage which the States have insisted upon having for themselves in reference to the governorship; that is, the advantage of calling back if need be, if occasion required, if there were a critical, crucial time which demanded the service of a person of proved worth and experience, who had manifested his ability to do a particular job, I should hate to have the Nation put in the position that such a person could not be called back to the Presidency.

I realize that the same argument applies in lesser degree to continuation in office after 8 years; but I think that the lay citizens who really urge this amendment want the American people to have an opportunity to determine whether the Washington tradition shall be fixed in the Constitution or whether it shall remain merely a tradition. There will be plenty of controversy, plenty of differences of opinion upon that point, and it will not be on partisan lines or on a wholly political basis. It will be founded in the soundest, most patriotic thinking our people can apply to it. I hope that is the kind of measure which will emerge from this debate.

It is my strong hope that the amendment offered by the Senator from Washington [Mr. MAGNUSON] may prevail, so that this proposed constitutional amendment may then be submitted to the people of the United States and so that they may have an opportunity to say, after understanding what it is that they are called upon to decide, whether the Washington tradition shall remain simply that, or whether it is best, in their judgment, to engraft it upon the Constitution itself.

The inclusion of all these other factors is trouble making and will disturb the impartial consideration of the amendment, and in my judgment will tend to defeat it.

Let us give it a fair chance, and let the people say whether they want the Washington tradition to remain as such or whether they wish it to become a part of our fundamental law.

URGENT DEFICIENCY APPROPRIATIONS, 1947—CONFERENCE REPORT

Mr. BRIDGES. Mr. President, I submit a conference report and ask unanimous consent for its immediate consideration.

The PRESIDENT pro tempore. The report will be read.

The Chief Clerk read as follows:

The committee of conference on the disagreeing votes of the two Houses on the amendments of the Senate to the bill (H. R. 1968) making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1947, and for other purposes, having met, after full and free conference, have agreed to recommend and do recommend to their respective Houses as follows:

That the House recede from its disagreement to the amendments of the Senate numbered 1, 2, 3, 4, 5, 6, 7, 8, 9, 10, 11, 12,

13, 17, 19, 21, 22, 23, 24, 25, and 26, and agree to the same.

Amendment numbered 14: That the House recede from its disagreement to the amendment of the Senate numbered 14, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$136,500"; and the Senate agree to the same.

Amendment numbered 15: That the House recede from its disagreement to the amendment of the Senate numbered 15, and agree to the same with an amendment as follows: In lieu of the matter inserted by said amendment insert the following:

"OFFICE OF TEMPORARY CONTROLS

"Salaries and expenses: For an additional amount, fiscal year 1947, for the Office of Price Administration transferred by Executive Order 9809 of December 12, 1946, to the Office of Temporary Controls, \$7,051,752, to be available for the payment of terminal leave only: *Provided*, That it is the intent of the Congress that the funds heretofore and herein appropriated shall include all expenses incident to the closing and liquidation of the Office of Price Administration and the Office of Temporary Controls by June 30, 1947."

And the Senate agree to the same.

Amendment numbered 16: That the House recede from its disagreement to the amendment of the Senate numbered 16, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$3,000,000"; and the Senate agree to the same.

Amendment numbered 18: That the House recede from its disagreement to the amendment of the Senate numbered 18, and agree to the same with an amendment as follows: In lieu of the sum proposed by said amendment insert "\$3,100,000"; and the Senate agree to the same.

Amendment numbered 20: That the House recede from its disagreement to the amendment of the Senate numbered 20, and agree to the same with an amendment as follows: Restore the matter stricken out by said amendment amended to read as follows:

"Salaries and expenses, Office of Price Administration functions, Office of Temporary Controls, 1947, \$2,000,000: *Provided*, That the Office of Price Administration shall be discontinued and its affairs shall be entirely liquidated not later than June 30, 1947."

And the Senate agree to the same.

STYLES BRIDGES,
C. WAYLAND BROOKS,
CHAN GURNEY,
JOSEPH H. BALL,
KENNETH MCKELLAR,

Managers on the Part of the Senate.

JOHN TABER,
R. B. WIGGLESWORTH,
ALBERT J. ENGEL,
KARL STEFAN,
FRANCIS CASE,
FRANK B. KEEFE,
CLARENCE CANNON,
JOHN D. KERR,
GEORGE MAHON,

Managers on the Part of the House.

The PRESIDENT pro tempore. Is there objection to the request for immediate consideration of the report?

There being no objection, the Senate proceeded to consider the report.

The PRESIDENT pro tempore. The question is on agreeing to the report.

Mr. HAYDEN. Mr. President, I should like to make inquiry with respect to amendment No. 19, which provides for the liquidation of the Civilian Production Administration. When the chairman of the Appropriations Committee spoke before the Senate the other day, I understood him to say that this provision could be carried out by the transfer to

the Housing Expediter of the functions now performed by the Civilian Production Administration with respect to the allocation of materials for veterans' housing.

Mr. BRIDGES. That is correct.

Mr. HAYDEN. The question then arises: How will the Housing Expediter have the funds with which to carry on that work? Does the Senator from New Hampshire know whether he has available appropriations?

Mr. BRIDGES. If the Housing Expediter does not have the necessary funds with which to carry on when he virtually takes back these duties, which originally were his, of course he will have to ask for specific funds for that purpose. My understanding is that he has some general funds available.

Mr. HAYDEN. Then if he can find in his general funds sufficient money with which to perform this service, it will be entirely proper for him to do so, and I understand it is the intent of Congress that he use the money for that purpose.

Mr. BRIDGES. That is my understanding, and I think that is the intent of the committee and of the Congress in so acting.

Mr. HAYDEN. I simply wish to clear up that point, because I do not want to have develop a situation whereby after the function is taken away from the Civilian Production Administration and transferred to the Housing Expediter, the Housing Expediter will be without funds to carry it on. If he can find the money, he is supposed to do that. If he cannot, he is supposed to ask Congress for it. Is that correct?

Mr. BRIDGES. That is correct.

Mr. HAYDEN. With respect to amendment No. 15, which relates to the Office of Price Administration, I should like to make a few remarks.

The House provided for a rescission of \$9,000,000—in other words, that the funds already available, and which would have remained available to the Office of Price Administration, be reduced by \$9,000,000. The Senate restored the \$9,000,000. The conference report, as I understand it, makes a rescission of \$2,000,000. The budget estimate under which this matter was considered requested not only that the funds of the Office of Price Administration be not disturbed, but asked for \$5,500,000 in order that it might carry on its activities, particularly those with respect to rent control and sugar rationing, until the 30th of June.

Thus the conference report provides, instead of any additional money with which to carry on this function, \$7,051,752 to pay terminal leave. In other words, it contemplates that between now and the 30th of June, practically all the employees of the Office of Price Administration shall be discharged and shall be paid terminal leave out of this money. Am I correct about that?

Mr. BRIDGES. The Senator's statement is correct.

Mr. HAYDEN. It is perfectly obvious to me that it is impossible to operate and to liquidate an agency at the same time. The best information I can get from it is that instead of attempting to do anything of that kind, the Office of Tempo-

rary Controls, under which the functions of the old Office of Price Administration are to be carried on, will attempt to administer rent control and sugar rationing until the 30th day of next month—that is to say, for another 6 weeks—and then for the remaining 60 days it will devote its time exclusively to liquidation, because it is impossible to liquidate and to operate at the same time. That is perfectly obvious to me.

That being the case, the Senate and the House of Representatives are faced with the absolute necessity within the next 6 weeks of enacting legislation to continue rent control, if it is to be continued, and to continue sugar rationing, if it is to be continued. If there are two "must" bills, one is a bill which must be reported to the Senate, pass the Senate, pass the House of Representatives, and be signed by the President within the next 6 weeks, to take care of rent control; and another one dealing with sugar rationing must be reported to the Senate and go through the same procedure and become a law between now and the 30th day of next month, or else there will be no sugar rationing and no rent control.

Mr. TAFT. Mr. President, will the Senator yield?

Mr. BRIDGES. I yield.

Mr. TAFT. It is perfectly obvious that there will be no sugar rationing, anyway, unless the Congress enacts a bill by the 31st of this month. We propose to pass such a bill by the 31st of this month. As I understand the proposal, sugar rationing and all sugar control will be transferred to the Department of Agriculture.

Mr. HAYDEN. Yes.

Mr. TAFT. So all that part of the OPA can be dismissed after the 1st of April, except for closing up the offices.

So far as rent control is concerned, I certainly hope a rent-control bill may be passed by the 1st of April. Measures are being taken to see that such a bill is pressed to prompt and immediate enactment.

Mr. HAYDEN. I am glad to hear that, because it is perfectly obvious, when considering the amount of money which is now available, that neither of those functions can be carried on for more than approximately 6 weeks.

Mr. BRIDGES. Let me say to the Senator that I differ with him in regard to that assumption. I do not see why the OPA cannot start scaling down now, and why it cannot gradually level off to zero by June 30, and still perform all the duties it is called upon to perform, certainly until June 30. That is a difference of opinion, but I think the OPA can do it.

When the OPA says that there will not be rent control or sugar control after March 31 or, rather, April 30, I think the OPA is adopting a very arbitrary attitude. By cutting down their surplus help and operating on a rock-bottom basis, I think there is no reason why they cannot continue this particular work. Of course, they would not have the lush manner of performing their duties which they had for the last few years, but they could do it on a sound

basis. Their duties are very simple in respect to rent control and sugar rationing and rice, which are the only other matters involved; and it seems to me they could do it without suffering themselves or without having the country suffer.

Mr. HAYDEN. I am merely expressing my judgment in regard to what I think a businessman who was given certain things to do—for instance, such things as rent control—would say. It is impossible to liquidate the offices all over the United States and at the same time administer rent control. I am simply saying how important it is that this legislation covering the items mentioned be enacted promptly, for otherwise, on the basis of the amount of money now to be appropriated, we shall know that in 6 weeks those functions must cease.

Mr. TAYLOR. Mr. President, I dislike this procedure of killing off agencies by refusing them money before legislative committees of the Senate have had a chance to pass upon the matter. I wish to be recorded as voting "no" on this measure.

Mr. PEPPER. Mr. President, I wish to have the RECORD clearly express the same sentiment on my part. It is an anomalous situation that now, through the indirect means of appropriation legislation, we are about to cut down a certain agency, and yet, if I correctly understand, a standing committee of the Senate has recommended that that agency be extended for another year. So it is proposed that, by indirection, through the appropriation function, on the recommendation of one committee, this action shall be taken, and then from another committee is to come, as I understand, a recommendation that, through permanent legislation, rent control be extended for a year. That is correct, is it not?

Mr. BRIDGES. The idea and purpose of the appropriation is to end appropriations for the OPA on June 30 and to completely rid the Nation of OPA. We are not trying to cut out rent control. If the Congress deems it wise to continue rent control, it will be continued. Personally, I think it is necessary to continue rent control, but I think we should continue it in some other agency of Government, rather than to continue the OPA which has been an outstanding sore thumb of the Nation for the last 3 or 4 years.

Mr. PEPPER. Mr. President, if the Senator will yield, let me make a further inquiry: Is not the effect of what the Senator's committee has done and what the Senate is now asked to do, that for all practical purposes rent control shall stop on April 30 and the money remaining shall be expended in the liquidation of the agency from April 30 to June 30, whereas the regular legislation on the subject provides that rent control—meaning presumably effective rent control—shall last until June 30? So we are, by indirection, by the limitation of an appropriation, actually going contrary, it seems to me, to the permanent legislation respecting rent control which is now on the statute books, and contrary to the recommendation of the

Committee on Banking and Currency, which has already recommended, according to the press, that by permanent legislation rent control be extended for another year.

I am wondering what position we will be in when the bill the Banking and Currency Committee acted on comes to the floor. I take it we will have to order our appropriation machinery in such a way as to adjust ourselves to that concept, which contemplates the continuation of rent control for another year from June 30, as against the concept of the committee to limit rent control effectively until April 30 of this year.

Mr. BRIDGES. Let me say that I do not by any means believe other than that with the funds allowed it OPA can carry on rent control up to June 30. It will have to be done on a scaling-down basis, as should be the case, and what is suggested seems to be the only way to bring that about. As various Senators have said, if OPA wanted to do so—though I do not think they should—they could continue on in full force until April 30, and then they could spend the next 60 days in liquidation. I do not think that is the intent of the committee. I think the intent of the committee and of the Congress is that they should now so scale down their activities that the work of OPA may be in the process of liquidation, that their duties will continue up to June 30, and that it is the problem of Congress to take care of rent control after that. Personally, I think rent control should be continued, but I do not think it should be continued in OPA.

Mr. HAYDEN. The intent of the committee is that they shall do an impossible thing.

Mr. MAGNUSON. Mr. President, will the Senator yield?

The PRESIDENT pro tempore. The Senator from Florida has the floor.

Mr. PEPPER. The conference report also provides, does it not, for the termination of the authority of the Civilian Production Administration to allocate building materials, for example, to the veterans' housing program, for all effective purposes, up to March 31, as General Fleming said it would when we were considering the matter here on the floor?

Mr. BRIDGES. In effect, that agency will be liquidated as of June 30, and there again it is a question of handling funds. It is not the idea of the committee to end the allocation of these materials if it is wise to continue it, because this duty was given the CPA, or the Office of Temporary Controls, by a directive of the Housing Expediter, and all that will happen will be that the Expediter who gave the directives to CPA to continue the work will automatically assume the task, if it is to be continued further.

Mr. PEPPER. Are any funds to be made available to the Housing Expediter with which to discharge those functions?

Mr. BRIDGES. No; but I understand the Housing Expediter has some funds available to take this matter over, and if it is necessary to give him more funds through a deficiency bill, certainly the committee will consider that. The desire is to end OPA, and to end CPA, and if it shall seem necessary to continue the functions of rent control and allocation

of materials, we want them continued under an agency in which we have more confidence than we have in the existing agencies.

Mr. PEPPER. It seems to me very obvious that those who occupy the homes are being caught in a squeeze. Rent control, for all practical purposes, is going to end April 30, and rationally so, for this is a kind of enforcement which, if not done well, had better not be done at all. As a matter of fact, the agency has not had sufficient personnel to do the job as it should have been done. In nearly every city in my State where rent control is in progress, we have been bombarded by landlords trying to get adjustments of rentals, and not able to get service through the OPA agency because it did not have the personnel with which to do the job.

Mr. President, if we cut the personnel further, it will simply mean that we had better not have any rent control, because there will be black marketing, there will be violations without enforcement of penalties, and it will be a case like prohibition again, when it would have been better not to have tried the little enforcement that was attempted.

On the one hand we are for all practical purposes removing the protection of rent control from the people who occupy rental property as homes, when, on the other hand, we could channel building materials through the housing program, at least the veterans' housing program, into the building of a greater number of veterans' homes, and offer an alternative home to a veteran who has to move out of a residence for which he cannot pay the required rent, when the landlord raises the rent. Instead of our putting the building materials more into that program, now it is proposed to take away that control, that help, which could result in putting building materials into the veterans' home-building program. We are, therefore, curtailing the available homes, on the one hand, and putting a real squeeze upon those who occupy homes, on the other.

Mr. President, I do not think that is good public policy, and, like the Senator from Idaho, I want to be recorded as expressing my opposition to the penuriousness we are exhibiting in these appropriation reductions.

Mr. BRIDGES. Mr. President, all I wish to say in answer to the Senator from Florida is that sometimes he could touch me, or could move me, by some of his very eloquent pleas, but certainly when he pleads, as spokesman for the administration, that there is not adequate personnel in Government bureaus, I cannot say his argument impresses me greatly, because that is one place where there is plenty of personnel.

Mr. PEPPER. Mr. President, I am not saying that in every agency there is inadequate personnel, but I am saying that it is my conviction—and I believe the facts will bear out the statement—that in the last year or two OPA has not had sufficient personnel with which to keep the black market under reasonable curb. I believe that if we are going to give effect to the law, and take care of the number of cases which have to be processed, and if we are to have

enforcement, any fair-minded man will say the agency cannot do an effective policing job in respect to their duties. That is what leads me to make the statement.

Mr. SALTONSTALL. Mr. President, will the Senator from Florida yield?

Mr. PEPPER. I yield.

Mr. SALTONSTALL. I should like to say to the Senator from Florida that I voted with the chairman of the Committee on Appropriations for this cut because I believe Congress must and will pass some kind of uniform rent-control measure prior to April 30. I believe rent control should be continued. I did not believe the present rent control was operating effectively, as I viewed it, but, in my opinion, we must take some action, and therefore this appropriation, as it was worked out, was entirely proper.

Mr. PEPPER. I thank the able Senator from Massachusetts. It makes no difference to me what machinery is employed, just so we preserve the effective principle of rent control; but it seems to me, since today we have all this organization in the field, all over the United States, that it will be uneconomical to call them in and appoint others, no matter what character of control may be. My own opinion was that for the time being rent control should continue from now until June 30, and perhaps one more year. I do not say it should continue indefinitely. I think we had better take the ills we have than fly to others we know not of in the handling of this question.

Mr. MAGNUSON. Mr. President, I wish to ask the Senator from New Hampshire just one question. I understand the matter better now since the discussion, but I gather the position of the majority of the Committee on Appropriations in the matter to be that they want rent control continued, but that they are against OPA administering rent control, that therefore they want to liquidate OPA as soon as possible, in the hope that the Congress will pass another bill before April 30 which would again institute rent control, and that the majority is hopeful it will be under some other department. Let me ask if that is a correct statement?

Mr. BRIDGES. No; not exactly. Under the statute, which the Senator, I believe, supported, the Office of OPA automatically expires on June 30. The only thing that this does is to make the expiration certain, to establish conditions which will make that mandatory expiration effective in toto at that time. But we believe sufficient funds are provided so that rent control can be administered up to June 30. Everybody admits that it can be continued in full until April 30. I am of the group who believe that while cutting the appropriation down materially, rent control can be continued on to June 30; but in the meantime, certainly, whether this bill be passed or not, it would be necessary to pick up the thread on June 30, either continuing rent control in this agency or some other agency. It is a matter of judgment.

Mr. MAGNUSON. I appreciate the position taken by the committee, but there is one thing I cannot understand. Everybody is agreed that rent control shall be continued. An agency is now

functioning. The Senator from Florida is entirely correct in saying that never at any time during the life of the OPA has that agency had sufficient personnel for the enforcement of rent control. But there is an agency that is now doing it. We hope that Congress will step in. Why not make it sure, and let this agency continue until June 30? By whatever bill may be passed by the majority, continuing rent control, whether it is changed from OPA to another agency, or not, control can be made effective on June 30. If that were done, the people would be assured of rent control. As it is, the matter is being left in the air. If Congress does not act by April 30, what becomes of rent control?

Mr. BRIDGES. The people will be protected in the matter of rent control under the bill.

Mr. MAGNUSON. Will this measly appropriation, between April 30 and June 30?

Mr. BRIDGES. They certainly are going to be protected. This cry of withholding sufficient personnel falls on deaf ears, so far as I am concerned.

Mr. MAGNUSON. I cannot see why sufficient funds were not given to continue rent control to June 30. Then, if Congress, as the Senator from Massachusetts pointed out, should consider a new rent-control bill, it may be that a decision would be made to place it under some other agency. If so, that could take effect on June 30.

It seems to me that, despite the intense feeling against OPA, on the part of some of the Members on the opposite side of the aisle, they should not undertake now to completely cut off OPA. I think it is a very important matter. Everybody agrees rent control should be continued. Of course, there is nothing we can do about it, now that the conference report is in. I can only keep my fingers crossed and hope that something will happen by April 30. The man who is renting a home is not concerned with whether the Senator from New Hampshire wants rent control to be under OPA or under some other agency; all he is concerned about is keeping rent control. I hope we shall not lose it.

Mr. SALTONSTALL. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. SALTONSTALL. I ask the Senator from Washington if he does not agree with me that we can, if the urgency becomes sufficiently great, pass another deficiency bill on this subject, before June 30?

Mr. MAGNUSON. Oh, I agree that we can; we can do anything within reason. I suppose that if the situation were to become bad, that is what we would do. In the meantime, what becomes of all the field agencies? If they begin to drop out, it will take time to reorganize them and to put them back to work. Even now, there will be an interim period in which rent control, to all intents and purposes, will be unenforced. The enforcement of rent control is going to be suspended.

Mr. TAYLOR. Mr. President, will the Senator yield?

Mr. MAGNUSON. I yield.

Mr. TAYLOR. Is not that exactly what happened last summer? We allowed price controls to lapse; then, when we tried to reconstitute them, we found they had gotten out of hand, and it was absolutely impossible to control prices.

Mr. MAGNUSON. That is exactly what happened; and in this case there can be no enforcement in the field. I do not see how it is possible to liquidate this office on April 30, and then reorganize the work and bring back all the necessary personnel, without creating a hiatus, during which the people will be without rent control, to all intents and purposes. Therefore, Mr. President, whether this be a record vote or not, I want to be recorded as being against the conference report, for the reasons stated.

The PRESIDENT pro tempore. The question is on agreeing to the conference report.

The report was agreed to.

PRESIDENT TRUMAN'S ADDRESS TO THE JOINT SESSION OF CONGRESS

Mr. MORSE. Mr. President, I wish to take not more than 2 or 3 minutes to record some of my impressions of the President's speech. I was greatly impressed not only by the speech but by the President, and the attitude which he displayed in his speech before the joint session of Congress. I think that in this critical hour it is proper that some voices be raised in the Congress to make clear to the world that in time of crisis the President of the United States is our President and the President of 140,000,000 united American people.

Mr. President, I think the speech was so filled with significant implications that it is very important in this solemn hour that the people of the United States maintain very clear heads and endeavor to understand what it was in essence that the President was really talking about. As I understand the speech, I think he was talking about the objectives of the San Francisco Charter, and raising for us the question as to whether or not those objectives are to become realities in the history of the world. Unless they become realities the chance of permanent peace, in my judgment, is nil. I say that, Mr. President, as one who was deeply moved by the speech and by the clear demonstration of a sincerity on the part of our President which, it seems to me, entitles him to words of commendation at this time. I think we should make perfectly clear to the world that we shall approach the great problems that he raised in his speech with clear-headed objectivity, seeking to do that which is essential in the interest of the public welfare of our country and of the future peace of the world.

I say it, too, because in times past I have been critical of the President. I have disagreed with him on some issues. I probably will again in the future. On one occasion, Mr. President, I disagreed with the position which he took on an issue, and I think disagreement with him was deserved on the merits of the issue, but I want to say quite frankly that I think I was a bit unkind in the language which I used at the time in expressing my disagreement. Although I think I was quite right in taking exception to the position which he took on the merits

[PUBLIC LAW 20—80TH CONGRESS]

[CHAPTER 20—1ST SESSION]

[H. R. 1968]

AN ACT

Making appropriations to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1947, and for other purposes.

Be it enacted by the Senate and House of Representatives of the United States of America in Congress assembled, That the following sums are appropriated, out of any money in the Treasury not otherwise appropriated, to supply urgent deficiencies in certain appropriations for the fiscal year ending June 30, 1947, and for other purposes, namely:

TITLE I—GENERAL APPROPRIATIONS

LEGISLATIVE

SENATE

For payment to Margaret S. Andrews, widow of Charles O. Andrews, late a Senator from the State of Florida, \$10,000.

For payment to Edith Pou Bailey, widow of Josiah W. Bailey, late a Senator from the State of North Carolina, \$10,000.

For additional clerical assistance in the Disbursing Office at the rate of \$3,000 per annum from March 1 to June 30, 1947, fiscal year 1947, \$1,000.

The sum of \$50,000 made available out of the contingent fund of the Senate by the Legislative Branch Appropriation Act, 1947, for the purpose of enabling the Senate Committee on Appropriations to employ expert and clerical assistance, is hereby made available for the employment of a consultant at not to exceed \$35 per day when actually employed, including all pay increases authorized by the Federal Employees Pay Act of 1945, as amended.

For payment to Henry V. DeMott for services rendered the special committee investigating the production, transportation, and marketing of wool during the months of October and December 1939, and January and March 1940, one month at the rate of \$3,300 per annum, fiscal year 1940, \$275.

For an amount necessary to increase the salary of one clerk under the Office of the Sergeant at Arms from \$2,500 to \$3,300, effective March 1, 1947, fiscal year 1947, \$267, and the Legislative Branch Appropriation Act for the fiscal year 1947 hereby is amended accordingly.

For the employment of six additional telephone operators from March 1 to June 30, 1947, at \$1,800 each per annum, fiscal year 1947, \$3,600.

For an additional amount for rent of warehouse for storage of public documents, fiscal year 1947, \$2,174.40.

HOUSE OF REPRESENTATIVES

For payment to the widow of William J. Gallagher, late a Representative from the State of Minnesota, \$10,000.

For payment to the widow of William B. Barry, late a Representative from the State of New York, \$10,000.

For payment to the widow of Robert K. Henry, late a Representative from the State of Wisconsin, \$10,000.

EDUCATION OF SENATE AND HOUSE PAGES

For reimbursement to the District of Columbia for education of congressional pages and pages of the Supreme Court, from January 2, 1947, pursuant to the provisions of section 243 of the Act of Congress entitled "An Act to provide for increased efficiency in the Legislative Branch of the Government", approved August 2, 1946, fiscal year 1947, \$10,600, which amount shall be credited to the appropriation for "General supervision and instruction, public schools, District of Columbia, 1947", and the Board of Education of the District of Columbia is hereby authorized to employ such personnel for the education of pages as may be required and to pay compensation for such services from January 2, 1947, in accordance with such rates of compensation as the Board of Education may prescribe: *Provided*, That the facilities provided for the education of such pages shall be available from and after January 2, 1947, also for the education of such other minors who are congressional employees as may be certified by the Secretary of the Senate and the Clerk of the House of Representatives to receive such education.

JOINT COMMITTEE ON ATOMIC ENERGY

For salaries and expenses of the Joint Committee on Atomic Energy created by section 15 of the Atomic Energy Act of 1946, including compensation of consultants at such rates as may be fixed by the committee but not exceeding \$35 gross each per day while actually employed, fiscal year 1947, \$50,000, to be disbursed by the Secretary of the Senate on vouchers approved by the chairman; and the Secretary of the Senate hereby is authorized to advance to the committee on the receipt of the chairman such sums within the appropriation as may be necessary from time to time to defray incidental expenses, to be accounted for in the same manner as provided by law for Senate committees.

COMMITTEE ON FEDERAL EXPENDITURES

For an amount which is hereby authorized to enable the Joint Committee on Reduction of Nonessential Federal Expenditures to carry out the duties imposed upon it by section 601 of the Revenue Act of 1941 (55 Stat. 726), to remain available during the existence of the committee, \$7,500, to be disbursed by the Secretary of the Senate.

ARCHITECT OF THE CAPITOL

Senate Office Building: For an additional amount, fiscal year 1947, for maintenance, including the objects specified under this head in the Legislative Branch Appropriation Act, 1947, \$32,000, to be

expended by the Architect of the Capitol for structural and mechanical alterations and improvements to provide accommodations in the Senate Office Building for the Senate folding room, including all necessary incidental expenses in connection therewith.

EXECUTIVE OFFICE OF THE PRESIDENT

OFFICE FOR EMERGENCY MANAGEMENT

OFFICE OF DEFENSE TRANSPORTATION

Salaries and expenses: For an additional amount, fiscal year 1947, for "Salaries and expenses"; \$136,500.

OFFICE OF TEMPORARY CONTROLS

Salaries and expenses: For an additional amount, fiscal year 1947, for the Office of Price Administration transferred by Executive Order 9809 of December 12, 1946, to the Office of Temporary Controls, \$7,051,752, to be available for the payment of terminal leave only: *Provided*, That it is the intent of the Congress that the funds heretofore and herein appropriated shall include all expenses incident to the closing and liquidation of the Office of Price Administration and the Office of Temporary Controls by June 30, 1947.

INDEPENDENT OFFICES

FEDERAL SECURITY AGENCY

BUREAU OF EMPLOYEES' COMPENSATION

Employees' compensation fund: For an additional amount, fiscal year 1947, for "Employees' compensation fund", \$3,000,000, to be expended in accordance with the provisions of Public Law Numbered 650, Seventy-ninth Congress, second session, and the Federal Employees' Compensation Act of 1916, as amended.

VETERANS' ADMINISTRATION

Administration, medical, hospital, and domiciliary services: For an additional amount, fiscal year 1947, for "Administration, medical, hospital, and domiciliary services", \$165,000,000: *Provided*, That the amount available to repair, alter, improve, or provide facilities in the several hospitals and homes under the jurisdiction of the Veterans' Administration is increased to \$5,500,000; and the limitation on travel expenses imposed by section 105 of the Independent Offices Appropriation Act, 1947, is increased to \$8,043,000.

Military and naval insurance: For an additional amount, fiscal year 1947, for "Military and naval insurance", \$1,000,000, to remain available until expended.

Vocational rehabilitation revolving fund: To increase the "Vocational rehabilitation revolving fund (Act of March 24, 1943)", created by the Urgent Deficiency Appropriation Act, 1943, \$200,000.

TREASURY DEPARTMENT

FISCAL SERVICE—BUREAU OF ACCOUNTS

Division of Disbursement, salaries and expenses: For an additional amount, fiscal year 1947, for "Division of Disbursement, salaries and expenses", \$3,100,000.

TITLE II—REDUCTIONS IN APPROPRIATIONS AND AUTHORIZATIONS

Amounts available to the departments and agencies from appropriations and other funds are hereby reduced in the sums hereinafter set forth, such sums to be carried to the surplus fund and covered into the Treasury immediately upon the approval of this Act:

EXECUTIVE OFFICE OF THE PRESIDENT

Office for Emergency Management:

Office of Scientific Research and Development:

Working fund, Executive, Emergency Management (Office of Scientific Research and Development), 1942–1946, \$2,044,477.

Working fund, Executive, Emergency Management (Office of Scientific Research and Development), 1940–1946, \$160,744.

Working fund, Executive, Emergency Management (Office of Scientific Research and Development), 1945, \$6,688,979.

Office of Temporary Controls:

Salaries and expenses, Civilian Production Administration functions, Office of Temporary Controls, 1947, \$2,400,000: *Provided*, That the Civilian Production Administration shall be discontinued and its affairs shall be entirely liquidated not later than June 30, 1947.

Salaries and expenses, Office of Price Administration functions, Office of Temporary Controls, 1947, \$2,000,000: *Provided*, That the Office of Price Administration shall be discontinued and its affairs shall be entirely liquidated not later than June 30, 1947.

Salaries and expenses, Economic Stabilization, Office of War Mobilization and Reconversion functions, Office of Temporary Controls, 1947, \$44,000.

Salaries and expenses, guaranteed annual wage plans, Office of War Mobilization and Reconversion functions, Office of Temporary Controls, 1946–1947, \$16,000.

FUNDS APPROPRIATED TO THE PRESIDENT

Emergency fund for the President, national defense, 1942–1947, \$2,500,000.

INDEPENDENT OFFICES

Atomic Energy Commission: Atomic energy, Executive (allotment to Atomic Energy Commission), 1942–1947, \$40,000,000.

Price Decontrol Board: Salaries and expenses, Price Decontrol Board, 1947, \$195,212.

United States Maritime Commission:

Construction fund, United States Maritime Commission, Act of June 29, 1936, revolving fund, \$265,000,000, and the contract authorization under this head is hereby reduced in the sum of \$132,000,000.

Emergency ship construction fund, United States Maritime Commission, \$1,251,691, together with the unexpended balance: *Provided*, That hereafter the United States Maritime Commission construction fund shall be available for the payment of obligations previously incurred against the emergency ship construction fund.

Working fund, Maritime Commission (Navy Department), \$60,265,686.

Working fund, Maritime Commission (War Department), 1942-1945; working fund, Maritime Commission (War Department), 1945; working fund, Maritime Commission (War Department), 1942-1946, \$834,845.

Working fund, United States Maritime Commission, War Shipping Administration functions, December 31, 1946, \$358,679.

Working fund, United States Maritime Commission, War Shipping Administration functions, 1945, \$270,006.

Veterans' Administration:

Adjusted service and dependent pay, Veterans' Administration, \$71,631.

Military and naval family allowance, Veterans' Administration, \$11,155.97.

Hospital facilities and services, Veterans' Administration, \$8,469.39.

Vocational rehabilitation, Veterans' Administration, \$6,441.71.

FEDERAL SECURITY AGENCY

Office of Education:

Working fund, Federal Security Agency, Office of Education, 1946, \$2,600.

Working fund, Federal Security Agency, Office of Education (advance from Veterans' Administration), 1947, \$41,800.

Public Health Service: Working fund, United States Public Health Service, 1946, \$12,664.

Office of the Administrator:

Civilian war benefits, Federal Security Agency, 1947, \$18,000.

Civilian war assistance, Federal Security Agency, 1947, \$1,000,000.

FEDERAL WORKS AGENCY

Public Buildings Administration:

Social Security Board and Railroad Retirement Board buildings, Washington, District of Columbia, Public Buildings Administration, \$46,914.

War Department buildings, Washington, District of Columbia, Public Buildings Administration, \$150,000.

Great plaza development, triangle, Washington, District of Columbia, Public Buildings Administration, \$7,250.

Emergency construction of public buildings, Public Buildings

Administration, Act of June 19, 1934, \$5,955, together with the unobligated balance as of June 30, 1947.

Emergency construction of public buildings, Public Buildings Administration, Act of August 12, 1935, \$5,755, together with the unobligated balance as of June 30, 1947.

Emergency construction of public buildings, Public Buildings Administration, Act of June 22, 1936, \$11,661, together with the unobligated balance as of June 30, 1947.

Federal office buildings numbered 2 and 3, in or near the District of Columbia, Public Buildings Administration, unobligated balance, June 30, 1947.

Emergency safeguarding of public buildings and property, Public Buildings Administration, \$10,000, together with the unobligated balance as of June 30, 1947.

Working capital fund, Public Buildings Administration, \$2,500.

Veterans' decentralization allowances, Public Buildings Administration, 1947-1948, \$40,000.

Materials testing laboratory and equipment, National Bureau of Standards (transfer to Federal Works Agency, Public Buildings Administration), \$7,797.

Working fund, Federal Works Agency, Public Buildings Administration, \$126,445.

Working fund, Federal Works Agency, Public Buildings Administration, 1946, \$51,453.

Public Roads Administration:

Access roads, Public Roads Administration (national defense), \$2,101,972.

Strategic highway network, Public Roads Administration (national defense), \$282,481.

Flood relief, Missouri, Mississippi, Louisiana, and Arkansas, for restoration of roads and bridges, Public Roads Administration, unobligated balance, June 30, 1947.

NATIONAL HOUSING AGENCY

Federal Public Housing Authority:

National defense housing, temporary shelter, Office of Administrator, National Housing Agency (transfer to Federal Public Housing Authority), \$142,098.

War housing in and near the District of Columbia, Federal Public Housing Authority, \$85,469.

Construction fund, United States Maritime Commission, Act of June 29, 1936 (transfer to National Housing Agency, Federal Public Housing Authority), \$574,096.

DEPARTMENT OF AGRICULTURE

Office of the Secretary:

Working fund, Agriculture, general, \$23,666.77.

Working fund, Agriculture, general, 1942-1946, \$78,669.52.

Bureau of Agricultural Economics: Working fund, Agriculture, Bureau of Agricultural Economics, \$16.25.

Extension Service:

Working fund, Agriculture, Extension Service, 1941-1946, \$3,655.

Working fund, Agriculture, Extension Service (special fund), \$475.76.

Agricultural Research Administration:**Office of the Administrator:**

Removal and reestablishment of Arlington Farm, Virginia (transfer to Agriculture), \$162,400.18.

Working fund, Agriculture, Agricultural Research Administration, 1942-1946, \$34,813.89.

Working fund, Agriculture, Agricultural Research Administration, 1946, \$48,000.

Bureau of Plant Industry, Soils, and Agricultural Engineering: Rubber investigations, Bureau of Plant Industry, Soils, and Agricultural Engineering, \$105.70.

Forest Service:

Working fund, Agriculture, Forest Service, 1942-1946, \$51,465.66.

Working fund, Agriculture, Forest Service, 1946, \$82,823.93.

Acquisition of lands, \$36.56.

Soil Conservation Service:

Working fund, Agriculture, Soil Conservation Service, 1941-1946, \$128.

Working fund, Agriculture, Soil Conservation Service, 1942-1946, \$26,069.

Production and Marketing Administration:

Conservation and use of agricultural land resources, Department of Agriculture, 1946-1947, \$8,945,000.

Administration of Price Adjustment Act of 1938, Department of Agriculture, \$85,638.

Exportation and domestic consumption of agricultural commodities, Department of Agriculture (cotton price adjustment), \$139,068.

Payments for agricultural adjustment, Department of Agriculture, \$4,505.

Community facilities, defense public works, Office of Administrator, Federal Works Agency (transfer to Agriculture), \$11,895.

DEPARTMENT OF COMMERCE**Bureau of the Census:**

Working fund, Commerce, Bureau of the Census, 1947, \$21,500.

Working fund, Commerce, Bureau of the Census, 1946, \$11,385.

Coast and Geodetic Survey:

Working fund, Commerce, Coast and Geodetic Survey, \$4,816.65.

Working fund, Commerce, Coast and Geodetic Survey, 1942-1946, \$8.11.

National Bureau of Standards:

Working fund, Commerce, Standards, 1942-1946, \$12,335.69.

Working fund, Commerce, Standards, 1946, \$84,345.

Working fund, Commerce, Standards, \$365.22.

Station for broadcasting standard frequencies, National Bureau of Standards, \$1,000.

DEPARTMENT OF THE INTERIOR

Bureau of Indian Affairs:

Purchase of land for Navajo Indians, Arizona (reimbursable), \$308.02.

Construction, irrigation systems, Indian Service (reimbursable), \$9,865.90.

Construction, buildings and utilities, Indian Service, \$131,407.71.

Support of Wisconsin Band of Potawatomie, Wisconsin and Michigan (reimbursable), \$500.21.

Working fund, Interior, Indians, \$25,538.66.

Working fund, Department of the Interior, subsistence, home-stead project, \$2,092.97.

Bureau of Mines:

Reduction of zinc concentrates with methane gas, Bureau of Mines (national defense), \$4,133.

Drainage tunnel, Leadville, Colorado, \$29,081.

Working fund, Interior, Mines (Office of Scientific Research and Development), 1946, \$130,000.

Working fund, Interior, Mines, Army, Engineer Service, 1942-1946, \$43,905.

National Park Service:

Roads and trails, national parks, emergency construction, Act of June 19, 1934, \$22.

Working fund, Interior, National Park Service (advance from War Department), \$14,000.

Government in the Territories: Emergency fund, Territories and island possessions (national defense), \$121,000.

DEPARTMENT OF JUSTICE

Federal Prison System:

Buildings and equipment, penal institutions, \$865,000.

United States Industrial Reformatory, Chillicothe, Ohio, construction, \$89.71.

United States Northeastern Penitentiary, Lewisburg, Pennsylvania, construction, \$1,636.78.

Public Works Administration, Act of 1938 (allotment to Justice, prisons), \$1,702.52.

Federal jails, buildings, and equipment (Sandstone), \$370.35.

Working fund, Justice, prisons, \$149,729.70.

DEPARTMENT OF LABOR

Office of the Secretary:

Veterans' housing. Office of Administrator, National Housing Agency (transfer to Labor), \$3,363.

Migration of workers, War Manpower functions, Department of Labor, 1944, \$652,376.

Migration of workers, War Manpower functions, Department of Labor, 1945, \$4,884.

Bureau of Labor Statistics: Working fund, Labor, Labor Statistics (advance from National Housing Agency), \$237.68.

National Wage Stabilization Board: Salaries and expenses, National Wage Stabilization Board, Department of Labor, 1947, \$1,191,900.

NAVY DEPARTMENT

Bureau of Supplies and Accounts:

Naval working fund, \$50,000,000.

Naval procurement fund, \$50,000,000.

Strategic and critical materials, Navy, \$94.

Reserve material, Navy, \$62,800.

Bureau of Yards and Docks:

Public works, Bureau of Yards and Docks, 1947, \$15,108,514:

Provided, That hereafter no obligations shall be incurred against the contract authorization provided under this head prior to July 1, 1946.

Increase and replacement of naval vessels: Repair facilities, Navy, \$4,000,000.

TREASURY DEPARTMENT

Bureau of Accounts: Emergency relief, liquidation fund, \$1,280,000.

Bureau of Federal Supply: Working capital fund, duplicating services, Procurement Division, \$1,323,480.02.

Coast Guard:

Acquisition of vessels and shore facilities, Coast Guard, \$9,624,066.

Emergency construction, vessels and shore facilities, Coast Guard, \$184,225.

Establishing and improving aids to navigation, Coast Guard, \$59,279.

Special projects, aids to navigation, Coast Guard, \$36,106.

Special projects, vessels, Coast Guard, \$37,470.

Special projects, aids to navigation, Lighthouse Service, Coast Guard, \$3,937.

WAR DEPARTMENT

Military activities:

Expenses and losses financing war contracts, \$15,000,000.

Acquisition of land, West Point, unexpended balance.

Acquisition of land, San Bernardino, Kern, and Los Angeles Counties, California, unexpended balance.

Acquisition of land, Panama, Army, unexpended balance.

Acquisition of land, Buchanan, Puerto Rico, unexpended balance.

Acquisition of land, Act of June 20, 1940, unexpended balance.

Sites for military purposes, unexpended balance.

Construction of buildings, utilities, and appurtenances, military posts, \$17,567,069.

Buildings for United States representatives, Philippine Islands, unexpended balance.

Emergency fund for the President, national defense housing (allotment to War), unexpended balance.

Community facilities, defense public works, Office of Administrator, Federal Works Agency (transfer to War), \$221,855.

National defense housing, War maintenance, and so forth, unexpended balance.

Emergency fund for the President, defense housing, temporary shelter, War, Federal Public Housing Authority, maintenance, unexpended balance.

National defense housing, War, Office of Administrator, Federal Works Agency, maintenance, and so forth, unexpended balance.

Repair of arsenals, emergency construction, unexpended balance.

Seacoast defenses, general, \$130,619.

Seacoast defenses, \$106,468.

Seacoast defenses, Panama Canal, \$642,905.

TITLE III—GENERAL PROVISIONS

SEC. 301. No part of any appropriation contained in this Act shall be used to pay the salary or wages of any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided*, That for the purposes hereof an affidavit shall be considered prima facie evidence that the person making the affidavit has not contrary to the provisions of this section engaged in a strike against the Government of the United States, is not a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or that such person does not advocate, and is not a member of an organization that advocates, the overthrow of the Government of the United States by force or violence: *Provided further*, That any person who engages in a strike against the Government of the United States or who is a member of an organization of Government employees that asserts the right to strike against the Government of the United States, or who advocates, or who is a member of an organization that advocates, the overthrow of the Government of the United States by force or violence and accepts employment the salary or wages for which are paid from any appropriation contained in this Act shall be guilty of a felony and, upon conviction, shall be fined not more than \$1,000 or imprisoned for not more than one year, or both: *Provided further*, That the above penalty clause shall be in addition to, and not in substitution for, any other provisions of existing law.

SEC. 302. This Act may be cited as the "Urgent Deficiency Appropriation Act, 1947".

Approved March 22, 1947.